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United States Environmental Protection Agency

Office of the Inspector General

May 1989

EPA

Office of the Inspector General Semiannual Report to the Congress

October 1, 1988 through March 31, 1989

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Foreword

The effects of environmental pollution and neglect on world health and safety are, unfortunately, becoming increasingly obvious. Magnified by trends in global warming, industrial accidents and careless use or disposal of harmful products and wastes, the importance of EPA's mission has multiplied over the last decade. As the Inspector General, I share with William K. Reilly, EPA's new Administrator, the sense of urgency with which the Agency must work to succeed. The work of the Office of Inspector General, through audits, investigations, and fraud prevention activities, acts as a strong advocate for making EPA's programs and operations more efficient and effective.

The long term strategies of the Administrator, including enhanced enforcement, pollution prevention, ecosystem protection, and international leadership, will require the most efficient use of limited resources and a continued receptiveness to critical review and constructive recommendations. The mutual application of OIG resources to EPA's most important issues and the Agency's prompt resolution of OIG audits will help ensure delivery of the best possible programs of environmental protection.

The success of the OIG in identifying dollars for recovery or savings, making recommendations for improvement, and pursuing prosecutive, civil, and administrative actions is increasingly related to the Agency's success. This report represents only a brief glance at the breadth and depth of OIG involvement and concern for EPA's mission. Although the OIG is statutorily independent, we are enthusiastically looking forward to working with Mr. Reilly and Agency management to help meet the expanding challenges of EPA.

John C. Martin
Inspector General

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Executive Summary

Section 1—Significant Problems, Abuses, and Recommendations

1. Aggressive Enforcement Needed to Ensure Success of the New Gray Market Vehicle Program

The elimination or reduction of key controls will further impair EPA's ability to detect whether "gray market" vehicle importers are appropriately modifying and testing automobiles to ensure compliance with U.S. emission standards (page 9).

2. Improvements Still Needed in EPA's Contract Management

Despite improving its contract monitoring process, EPA was still not effectively administering contracts supporting the Office of Solid Waste (OSW). EPA's failure to properly manage contracts resulted in contractors performing unauthorized and unfunded work, and Agency personnel engaging in potential conflicts of interest (page 9).

3. Management Improvements Needed for Better Compliance with Hazardous Waste Law

Monitoring and enforcement of Consent Agreement/Final Orders (CA/FO) under the Resource Conservation and Recovery Act (RCRA) were not timely and adequate to require hazardous waste violators' compliance with RCRA requirements. Noncompliance provides economic benefits for the violators and potentially exposes the public to unknown hazards (page 10).

4. Slow Processing of State Plans Adversely Affects Enforcement

EPA's slow processing of State Implementation Plans (SIP) has adversely affected enforcement under the Clean Air Act through significantly reduced penalties from those originally proposed and the Department of Justice's refusal to pursue some cases (page 11).

5. Complete Data Not Available to Evaluate Compliance and Enforcement Actions

Incomplete data and unreliable software in the Permit Compliance System (PCS) prevent EPA from measuring compliance with the National Pollutant Discharge Elimination System (NPDES) and taking appropriate actions to control pollution discharges (page 11).

6. Different Monitors Can Lead EPA to Different Conclusions About Air Quality

EPA's policy of accepting air monitor measurements without regard to the type of monitor used can result in inconsistent conclusions of whether air quality standards have been met (page 12).

7. Noncompliance with Special Grant Condition Requires Grantee to Repay over $9 Million

The Sacramento Regional County Sanitation District, California, did not adhere to a special grant provision prohibiting new sewer connections, requiring the grantee to repay costs claimed plus interest totaling over $9 million (page 14).

8. Ineligible and Unsupported Costs of $5,648,219 on Nassau County, New York, Project

The county of Nassau, New York, claimed $1,773,999 of ineligible construction costs, administrative expenses, engineering fees, and force account costs. An additional $3,874,220 of unapproved costs were questioned (page 14).

9. Grantee Claims over $2.9 Million of Ineligible or Unsupported Costs

The town of Amherst, New York, claimed over $1 million for ineligible work, services, and expenses such as development and construction of a recreation area and bond issuance costs of the municipality. An additional $1.9 million of unsupported costs were questioned (page 14).

10. Improper Contracting Procedures Increase Grantee's Costs by over $1.5 Million

Ft. Myers, Florida, incurred an additional $1.5 million due to a failure to take the lowest bid on a construction contract, improper computation for innovative funding, duplicative and excessive administrative costs, and contracting for engineering services at three to four times the average rate (page 15).

11. Grantee Claims $2,489,055 of Unsupported or Ineligible Costs

The Pima County Wastewater Management Department, Tucson, Arizona, claimed $1,768,752 of ineligible inspection fees, architectural engineering fees, construction costs, and administrative expenses. An additional $720,303 of unsupported costs were questioned (page 15).

12. Better Health and Safety Programs Needed in Region 2

Properly functioning health and safety programs were needed to protect EPA employees from exposure to moderate- and high-risks from hazardous waste operations (page 17).

13. Documentation Still Not Available to Support $5,140,503 of Love Canal Superfund Costs

Inadequate documentation of the New York State Department of Environmental Conservation's (DEC) final credit claim for the Love Canal hazardous waste cleanup resulted in over $3.3 million of ineligible costs, and $1.8 million of unsupported costs (page 17).

14. Scientists Critical of EPA's Monitoring of Ocean Dumping

Members of the scientific community disagree with the adequacy of EPA's monitoring at the 106-Mile Deepwater Municipal Sludge Dump (DMSD) site (page 18).

15. $3.7 Million in Grant Funds to California Grantee Should Not Have Been Awarded

Erroneous calculations of community population by the California State Water Resources Control Board (SWRCB) allowed a sewer collection project to proceed that will greatly benefit developmental interests (page 19).

16. Grantee Lacks Managerial and Financial Capability to Build a Needed $2.4 Million Wastewater Treatment Facility

The Weott Community Services District, Weott, California, plans to build a $2.4 million wastewater treatment facility although it lacks the managerial and financial capabilities required for effective accomplishment of its EPA grant project (page 19).

17. Accuracy of Contractor's Claimed Costs in Question

Significant internal control weaknesses in an EPA contractor's financial management system cast doubts on the accuracy of $23 million of claims (page 20).

Section 2—Audit Resolution

During the first half of fiscal 1989, the Office of Inspector General issued 793 new audit reports and closed 953. The 365 audit reports remaining in the Agency followup system are scheduled for resolution within the next 6 months.

Of the audits closed, $30.8 million of questioned costs were sustained, including $26.5 million to be recovered, and $4.3 million in cost efficiencies. In addition, cost recoveries in current and prior periods included $2.1 million in cash collections, and at least $14.2 million in offsets against billing (page 21).

Section 3—Prosecutive Actions

During this semiannual reporting period, our investigative effort resulted in 16 convictions and 27 indictments. Also, this semiannual period our investigative work resulted in over $580,000 in fines and recoveries.

A Connecticut company was charged with fraudulently claiming its employees had completed EPA-certified asbestos removal training; there were 7 more indictments of asbestos removal contractors in the New York City area; an EPA subcontractor was found to be charging almost double the allowable labor rate and ordered to repay $23,683. Another EPA subcontractor pled guilty to assisting one of its employees in illegally obtaining another vendor's bid proposal that gave it a competitive advantage. There were more indictments and convictions of "gray market" auto importers; a Georgia man previously convicted of selling short-weight bags of grout on an EPA-funded project has been charged with defrauding the Navy; a North Carolina sewage treatment plant operator was charged with providing false effluent test results so that the plant would appear to meet permit standards; and there was another conviction of a New Haven, Connecticut, police officer on a charge of submitting false claims for police work on an EPA-funded project (page 23).

Section 4—Fraud Prevention and Resource Management

Review of Proposed Legislation and Regulations

During this semiannual period, we reviewed 56 legislative and regulatory items. The most significant were the Inspector General Act amendments of 1988, which create more offices of inspector general, adds new management reporting requirements, and modify the IG reporting requirements to Congress; the Federal Employees Liability Reform and Tort Compensation Act of 1988, which relieves the personal financial liability of Federal employees acting within the scope of their positions; the Computer Matching and Privacy Protection Act, which imposes new requirements on agencies desiring to make computer matches of data; and the proposed Inspector General Awards Act, which would set up a new award program for non-IG employees who report on fraud, waste, and mismanagement (page 29).

Suspension and Debarment Activities

During this semiannual reporting period, the number of debarments, voluntary exclusions, settlements, and suspensions to deny or restrict persons or firms from participating in EPA programs or operations has increased. We completed 73 cases during this reporting period, resulting in 31 debarments, 3 voluntary exclusions, 17 settlement agreements, and 22 cases closed after investigation. There were 280 active cases at the close of this reporting period (page 32).

Committee on Integrity and Management Improvement

The committee is chaired by the Inspector General. Projects completed by the committee include an awareness bulletin which summarizes the requirements for maintenance and disposition of official Agency records. CIMI believed that many EPA employees were unaware of which records they could keep and which records belong to EPA. CIMI also developed two posters to promote employee interest in its pamphlet "Ethics in a Nutshell" (page 35).

Professional and Organizational Development

The OIG-developed course *Detection and Prevention of Fraud* was presented twice through the EPA Institute to Agency employees and in our Western Audit Division to members of our staff, auditors from the California State Comptroller's office and independent public accountants performing audit work for the OIG. Plans and materials for the new course, *Auditing Superfund Activities*, were finalized in preparation for the pilot presentation of the course in late spring (page 36).

Human Resources Council

The Human Resources Council sponsored a workshop for all OIG secretaries in Arlington, Virginia, in December 1988; developed a proposal to enhance the OIG's recruitment efforts; and completed work on a booklet which describes the physical exam, counseling and fitness services available at Headquarters and in each EPA region. Because of great interest, the booklet will be distributed to all EPA employees this spring. The compressed work week program, pioneered in Headquarters by OIG, has been adopted by most other EPA Headquarters offices (page 37).

Profile Of Activities And Results

Environmental Protection Agency
Office of Inspector General

	October 1, 1988 to March 31, 1989
Audit Operations	
OIG MANAGED AUDITS	
Audits Performed by EPA, IPA and State	
Questioned Costs	
• Total Ineligible	$ 30.0 million
• Federal Share Ineligible*	$ 24.0 million
• Total Unsupported*	$ 67.8 million
• Federal Share Unsupported*	$ 42.3 million
Cost Disallowed to be Recovered	
• Federal Share Ineligible	$ 19.3 million
• Federal Share Unsupported (costs which EPA management agrees are unallowable and is committed to recover or offset against future payments)	$ 5.0 million
Cost Disallowed as Cost Efficiency	
• Federal Share Ineligible	$ .9 million
• Federal Share Unsupported (made available by EPA management's commitment to implement recommendations in OIG performance or preaward audits)	$ .8 million
OTHER AUDITS	
Audits Performed by another Federal Agency or Single Audit Act Audits Questioned Costs	
• Total Ineligible	$ 32.1 million
• Federal Share Ineligible*	$ 92.0 million
• Total Unsupported*	$301.3 million
• Federal Share Unsupported*	$301.3 million
Cost Disallowed to be Recovered	
• Federal Share Ineligible	$ .4 million
• Federal Share Unsupported	$ 1.7 million
Cost Disallowed as Cost Efficiency	
• Federal Share Ineligible	$ 2.4 million
• Federal Share Unsupported	$ .2 million
AGENCY RECOVERIES	
Recoveries from Audit Resolutions of Current and Prior Periods (cash collections or offsets to future payments)**	$16.3 million
REPORTS ISSUED	
OIG MANAGED AUDITS	
• EPA Audits Performed by the OIG	34
• EPA Audits Performed by Independent Public Accountants	67
• EPA Audits Performed by State Auditors	12
OTHER AUDITS	
• EPA Audits Performed by another Federal Agency	173
• Single Audit Act Audits	507
TOTAL REPORTS ISSUED	793
Audit Reports Resolved (agreement by Agency officials to take satisfactory corrective action)	953
Investigative Operations	
• Fines and Recoveries (including civil)	$580,137
• Investigations Opened	136
• Investigations Closed	139
• Indictments of Persons or Firms	27
• Convictions of Persons or Firms	16
• Administrative Actions Taken Against EPA Employees	22
Fraud Detection and Prevention Operations	
• Debarments, Suspensions, Voluntary Exclusions, and Settlement Agreements (actions to deny persons or firms from participating in EPA programs or operations because of misconduct or poor performance)	73
• Hotline Complaints Received	46
• Hotline Complaints Processed and Closed	35
• Proposed Legislative and Regulatory Items Reviewed	56
• Personnel Security Investigations Adjudicated	229

*Questioned Cost, Ineligible and Unsupported are subject to change pending further review in the audit resolution process.

**Information on recoveries from audit resolution is provided from the EPA Financial Management Division and is unaudited.

Inspector General Act Amendments of 1988 (Public Law 100-504) have changed several categories in the IG's report to Congress and also require agency management to report directly to the Congress on their responses to audit recommendations. The first reports pursuant to the Amendments will be submitted to Congress by the inspectors general and agency management on May 30, 1990, based on data from the period October 1, 1989 to March 31, 1990. More information on the new law is contained in Section 4 (page 29).

Establishment Of The OIG In EPA—Its Role And Authority

The Inspector General Act of 1978 (P.L. 95-452) created Offices of Inspector General to consolidate existing investigative and audit resources in independent organizations headed by Inspectors General.

EPA established its Office of Inspector General (OIG) in January 1980. As an agency with a massive public works budget, EPA is vulnerable to various kinds of financial abuses. The OIG's role is to review EPA's financial transactions, program operations, and administrative activities; investigate allegations or evidence of possible criminal and civil violations; and promote economic, efficient, and effective Agency operations. The OIG is also responsible for reviewing EPA regulations and legislation.

The EPA Inspector General reports directly to the Administrator and the Congress and has the authority to:

- Initiate and carry out independent and objective audits and investigations,
- Issue subpoenas for evidence and information,
- Obtain access to any materials in the Agency,
- Report serious or flagrant problems to Congress,
- Select and appoint OIG employees, and
- Enter into contracts.

The Inspector General is appointed by, and can be removed only by, the President. This independence protects the OIG from interference by Agency management and allows it to function as the Agency's fiscal and operational watchdog.

Organization and Staffing

The Office of Inspector General functions through three major offices, each headed by an Assistant Inspector General: Office of Audit, Office of Investigations, and Office of Management and Technical Assessment.

Nationally, there are six Divisional Inspectors General for Audit and five Divisional Inspectors General for Investigations who direct staffs of auditors and investigators and who report to the appropriate Assistant Inspector General in Headquarters.

Staffing Distribution—Fiscal 1989 Ceiling

Office	Headquarters	Field	Total
Inspector General	5		5
Audit	44	148	192
Investigations	8	52	60
Management and Technical Assessment	23		23
Total	80	200	280

Purpose And Requirements Of The Office Of Inspector General Semiannual Report

The Inspector General Act of 1978 (P.L. 95-452) requires the Inspector General to keep the Administrator and Congress fully and currently informed of problems and deficiencies in the Agency's operations and to recommend corrective action. The IG Act further specifies that semiannual reports will be provided to the Administrator by each April 30 and October 31, and to Congress 30 days later. The Administrator may transmit comments to Congress along with the report, but may not change any part of the report.

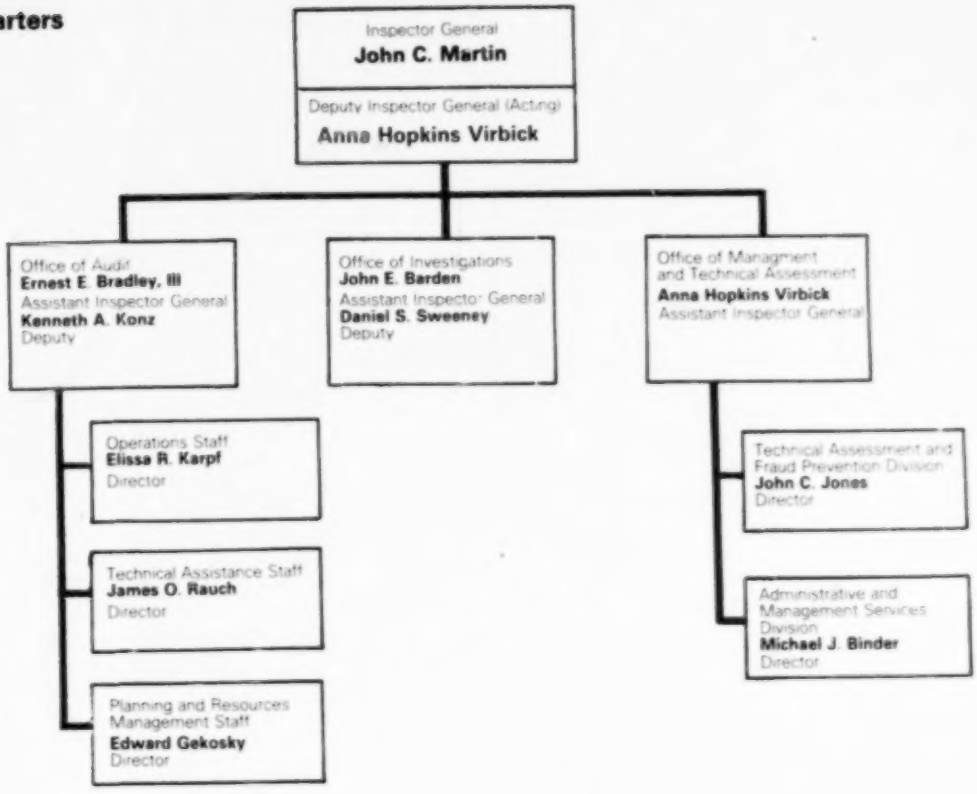
The specific reporting requirements prescribed in the Inspector General Act of 1978 are listed below. Also included are additional requirements resulting from Senate Report 96-829 on the Supplemental Appropriations and Rescission Act of 1980 (P.L. 96-304).

Source		Section	Page
Inspector General Act			
Section 4(a)(2)	Review of Legislation and Regulations	4	23
Section 5(a)(1)	Significant Problems, Abuses, and Deficiencies	1	8
Section 5(a)(2)	Recommendations with Respect to Significant Problems, Abuses, and Deficiencies	1	8
Section 5(a)(3)	Prior Significant Recommendations on Which Corrective Action Has Not Been Completed	2	21
Section 5(a)(4)	Matters Referred to Prosecutive Authorities	3	23
Section 5(a)(5)	Summary of Instances Where Information Was Refused	*	
Section 5(a)(6)	List of Audit Reports	Appendix	40
Senate Report 96-829			
Senate Report, Page 11, Resolution of Audits		2	21
Senate Report, Page 12, Delinquent Debts		5	39

* There were no instances where information or assistance requested by the Inspector General was refused during this reporting period. Accordingly, we have nothing to report under section 5(a)(5) of the Inspector General Act of 1978.

Office of Inspector General — Who's Who

Headquarters



Divisional Inspectors General

Source: EPA Office of Policy Planning and Evaluation, "Environmental and Challenges EPA's Update," August 1990

When the Environmental Protection Agency (EPA) was established in 1970, the most pressing environmental problems were the obvious ones: soot and smoke from cars and smokestacks, and raw sewage and chemicals from municipal and industrial wastewater. Congress has enacted a series of laws which have brought about significant environmental improvements, though many challenging problems remain. EPA is responsible for implementing the Federal laws designed to protect the environment.

This section concerns EPA's challenges for restoring and protecting the quality of the air we breathe, the land where we live, and the water we depend on.

LAND—Overview of the Problem

The principal sources of land waste are:

- *Underground Storage Tanks.* An estimated five to six million underground storage tanks in use in the United States contain petroleum products or hazardous chemicals. Approximately two million of these tanks may be leaking and are a source of land contamination that can contribute to ground-water contamination.
- *Industrial Hazardous Wastes.* The chemical, petroleum, metals, and transportation industries are major producers of hazardous industrial waste.
- *Municipal Wastes.* Municipal wastes include household and commercial wastes, demolition materials, and sewage sludge. Solvents and other harmful household and commercial wastes are generally so intermingled with other materials that specific control of each is virtually impossible. Leachate resulting from rain water seeping through municipal landfills may contaminate underlying ground water.
- *Mining Wastes.* A large volume of all waste generated in the United States is from mining coal, phosphates, copper, iron, uranium, and other minerals and from ore processing and milling. Although mining wastes are generally considered to present low hazards, they present a disposal problem because of the estimated 2.34 billion tons generated per year. Runoff from these wastes increases the acidity of streams and pollutes them with toxic metals.

Major Laws Administered by EPA

Statute	Provisions
Toxic Substances Control Act	Requires that EPA be notified of any new chemical prior to its manufacture and authorizes EPA to regulate production, use, or disposal of a chemical.
Federal Insecticide, Fungicide and Rodenticide Act	Authorizes EPA to register all pesticides and specify the terms and conditions of their use, and remove unreasonably hazardous pesticides from the marketplace.
Federal Food, Drug and Cosmetic Act	Authorizes EPA in cooperation with FDA to establish tolerance levels for pesticide residues on food and food products.
Resource Conservation and Recovery Act	Authorizes EPA to identify hazardous wastes and regulate their generation, transportation, treatment, storage, and disposal.
Comprehensive Environmental Response, Compensation and Liability Act	Requires EPA to designate hazardous substances that can present substantial danger and authorizes the cleanup of sites contaminated with such substances.
Clean Air Act	Authorizes EPA to set emission standards to limit the release of hazardous air pollutants.
Clean Water Act	Requires EPA to establish a list of toxic water poilutants and set standards.
Safe Drinking Water Act	Requires EPA to set drinking water standards to protect public health from hazardous substances.
Marine Protection Research and Sanctuaries Act	Regulates ocean dumping of toxic contaminants.
Asbestos School Hazard Act	Authorizes EPA to provide loans and grants to schools with financial need for abatement of severe asbestos hazards.
Asbestos Hazard Emergency Response Act	Requires EPA to establish a comprehensive regulatory framework for controlling asbestos hazards in schools.
Emergency Planning and Community Right-to-Know Act	Requires states to develop programs for responding to hazardous chemical releases and requires industries to report on the presence and release of certain hazardous substances.

AIR—Sources of the Problem

The Clean Air Act of 1970 requires EPA to set National Ambient Air Quality Standards for those pollutants, termed "criteria pollutant," which posed the greatest overall threat to air quality: ozone, carbon monoxide, airborne particulates, sulfur dioxide, lead, and nitrogen oxides.

The act also requires EPA to set National Emission Standards for Hazardous Pollutants. Hazardous pollutants are defined as those that can contribute to an increase in mortality or serious illness.

Both criteria and hazardous air pollutants come from mobile and stationary sources.

- Mobile sources include passenger cars, trucks, buses, motorcycles, boats, and aircraft.
- Stationary sources range from iron and steel plants and oil refineries to dry cleaners and gas stations.

A major thrust of the next decade will be to address growing national and international problems from acid deposition and global warming.

- Acid rain is now recognized as a serious long-term air pollution problem for many industrial nations. The process of acid rain deposition begins with emissions of sulfur dioxide (primarily from coal-burning power plants) and nitrogen oxides (primarily from motor vehicles and coal-burning power plants). These pollutants interact with sunlight and water vapor in the upper atmosphere to form acidic compounds. During a storm, these compounds fall to earth as acid rain or snow; the compounds also may join dust or other dry airborne particles and fall as "dry deposition."

• Certain types of air pollutants are producing long-term and perhaps irreversible changes to the global atmosphere. These changes seriously threaten human health and the environment. In the troposphere (the lower 10 miles of atmosphere), high levels of carbon dioxide are producing an overall warming of the global temperatures. This greenhouse effect may cause irreversible changes to the climate. Without the greenhouse effect, the earth would be a frozen planet like Mars.

WATER—Sources of the Problem

The job of cleaning and protecting the nation's drinking water, coastal zone waters, and surface waters is made complex by the variety of sources of pollution that affect them.

• Municipal Sources. Municipal wastewater consists primarily of water from toilets and "gray water" from sinks, showers, and other uses. This wastewater which runs through city sewers may be contaminated by organic materials, nutrients, sediment, bacteria, and viruses. Toxic substances used in the home—including crankcase oil, paint, household cleaners, and pesticides—also make their way into sewers. In many towns, industrial facilities are hooked into the municipal system and frequently discharge toxic metals and organic chemicals into the systems. Storm water from downspouts, streets, and parking lots sometimes enters the municipal system through street sewers and may carry with it residues, toxic chemicals, and sediments.

• Industrial Sources. The use of water in industrial processes, such as the manufacturing of steel or chemicals, produces billions of gallons of wastewater daily. Some industrial pollutants are similar to those in municipal sewage but often more concentrated. Others are more exotic and include a great variety of heavy metals and synthetic organic substances.

• Nonpoint Sources. Nonpoint sources of water pollution are multiple, diffuse sources of pollution as opposed to a single "point" source such as a discharge pipe from a factory. For example, rainwater washing over farmland, and carrying top soil and chemical residues into nearby streams is a major nonpoint source of water pollution. Primary nonpoint sources of pollution include water runoff from farming, urban areas, mining, forestry, and construction activities.

• Ocean Dumping. Dredged material, sewage sludge, and industrial wastes are a major source of ocean pollution. Sediments dredged from industrialized urban harbors are often highly contaminated with heavy metals and toxic synthetic organic chemicals like PCBs and petroleum hydrocarbons. When these sediments are dumped in the ocean, the contaminants can be taken up by marine organisms.

New Administrator Sets Long-Term Strategies

President George Bush conducted the swearing-in ceremony for new EPA Administrator William K. Reilly on February 8, 1989, at EPA's Washington, D.C. Headquarters. Earlier, at his Senate confirmation hearings, Mr. Reilly revealed his long-term strategies for EPA:

(Photo by Steve Delaney)

William K. Reilly

Enhanced Enforcement and Better Management

- Invigorate EPA enforcement efforts
- Speed hazardous waste cleanup

Pollution Prevention

- Prevent pollution from occurring in the first place
- Establish strong incentives for pollution prevention
- Greatly expand recycling programs

Ecosystem Protection

- No net loss of wetlands
- Fight ocean pollution
- Enhance water quality
- Invest in ecological research

International Leadership

- Revitalize important environmental treaties
- Foster international cooperation
- Help developing countries manage their environments
- Enlarge EPA's international office

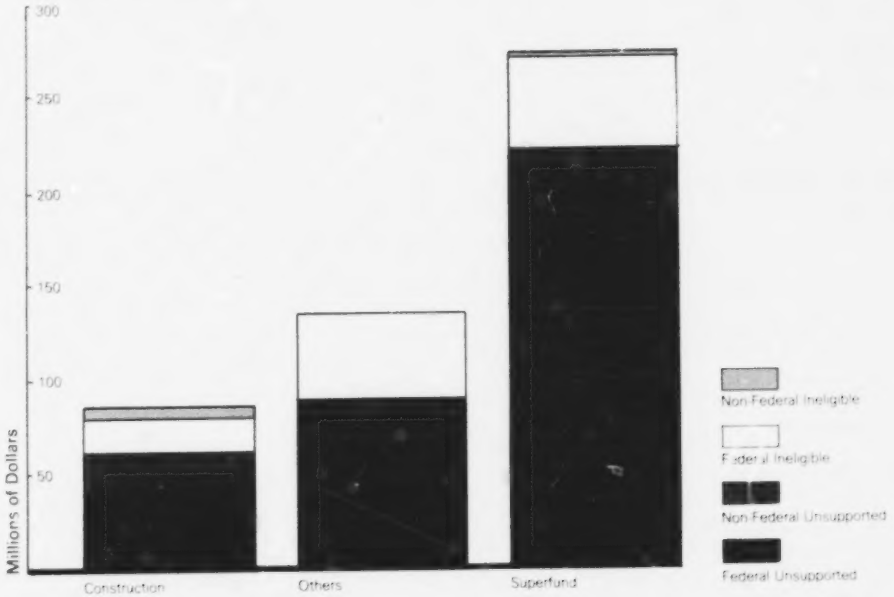
Section 1—Significant Problems, Abuses, And Recommendations

As required by sections 5(a)(1) and (2) of the Inspector General Act of 1978, this section identifies significant problems, abuses, and deficiencies relating to the Agency's programs and operations along with recommendations for the current period. The findings described in this section resulted from audits and reviews performed by or for Office of Audit and reviews conducted by the Office of Investigations. Because these represent some of our most significant findings, they should not be considered representative of the overall adequacy of EPA management. Audit findings are open to further review but are the final position of the Office of Inspector General.

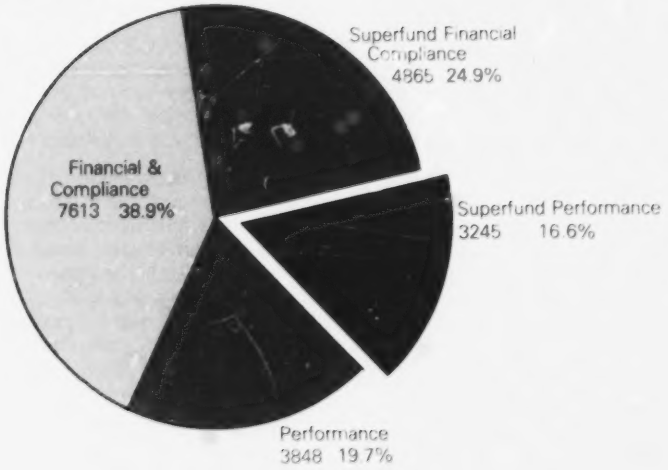
This section is divided into six areas: Summary of Audit Activities and Results, Agency Management, Construction Grants, Superfund, Special and Prospective Reviews, and Other Contracts and Grants.

Summary of Audit Activities and Results

Unsupported and Ineligible Costs by Type of Audit

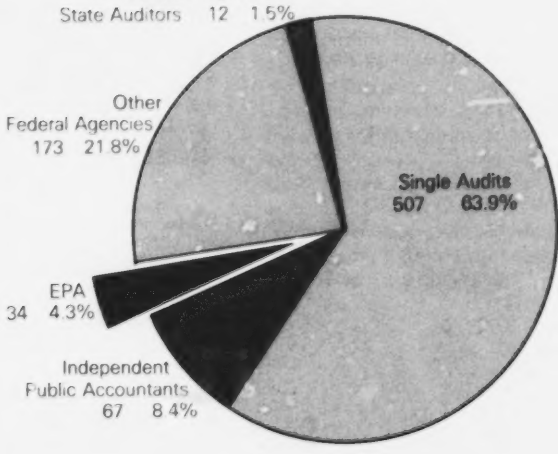


Distribution of Audit Effort by Staff Days



TOTAL - 19,571 Days

Distribution of Audit Reports Issued by Source



TOTAL REPORTS - 793

Agency Management

The Inspector General Act requires the OIG to initiate reviews and other activities to promote economy and efficiency and to detect and prevent fraud, waste, and mismanagement in EPA programs and operations. Internal and management audits and reviews are conducted to accomplish these objectives largely by evaluating the economy, efficiency, and effectiveness of operations.

The following are the most significant internal and management audit and review findings and recommendations:

Aggressive Enforcement Needed to Ensure Success of the New Gray Market Vehicle Program

Problem

The elimination or reduction of key controls will further impair EPA's ability to detect whether "gray market" vehicle importers are appropriately modifying and testing automobiles to ensure compliance with U.S. emission standards.

Background

Foreign vehicles specifically manufactured for sale overseas generally do not conform to U.S. safety and emission standards. These gray market vehicles may be imported providing they are modified to meet U.S. standards. EPA's Office of Mobile Sources within the Office of Air and Radiation is responsible for ensuring that these vehicles comply with emission standards. The large number of criminal prosecutions by the OIG with other Federal agencies against gray market vehicle importers and test laboratories for false certifications of these vehicles (page 25) encouraged our review of interim changes in the new program which became effective on July 1, 1988.

We Found That

The new gray market vehicle program reduces the Agency's ability to ensure that imported vehicles meet emission standards. The new program reduces EPA's oversight, reduces or eliminates some major controls, and allows importers to operate without prior on-site inspection of their facilities. For example, the new program eliminates Agency oversight of emission test laboratories by making independent commercial importers (ICIs) responsible for importing, modifying, and testing the vehicles. Each ICI would get permission to operate through a certificate of conformity issued by EPA for each make, model year, and engine type of vehicle being imported based solely on the quality of changes made to a prototype vehicle. Also, the new program eliminated the Customs bond previously required on each imported vehicle, reduced vehicle inspection hold periods, and reduced test data submission requirements.

EPA's Environmental Testing Laboratory engineers examine and test the vehicle and review the ICI's test results. While examination of the prototype vehicle potentially gives the Agency an idea of the quality of the ICI's modification work, the new program does not require Office of Mobile Sources staff to conduct on-site inspections of ICI facilities before the certificate is awarded. The majority of ICI prototypes submitted for certificates of conformity were unable to pass the emission test requirements. As the program evolved, the Agency concluded that ICI interest in the program was less than expected, with only a few ICIs being awarded certificates of conformity. Due to limited ICI interest and our concerns over certifications without on-site inspections, the Agency reconsidered its precertification inspection policy and conducted an on-site inspection of the ICI facility after awarding a certification of conformity.

In addition, the revised program does not have a formal penalty policy to encourage program compliance and ensure consistent, fair enforcement. We believe criminal activity will continue under the new program unless surveillance over the program participants is maintained.

We Recommended That

The Acting Assistant Administrator for Air and Radiation:

- Modify the planned inspection program;
- Develop a formal penalty policy;
- Request stronger penalty provisions in the next reauthorization of the Clean Air Act;
- Coordinate enforcement actions and obtain input from the OIG and other Federal law enforcement organizations on how to limit the extent of criminal activity in the program; and
- Coordinate future program revisions with the OIG Office of Investigations.

What Action Was Taken

The Acting Assistant Administrator for Air and Radiation generally agreed with recommendations in our draft report, stating that some had already been implemented. The final audit report (9100148) was issued January 10, 1989. A response to the audit report was received March 22, 1989. The proposed actions, when implemented, will satisfy our concerns.

Improvements Still Needed in EPA's Contract Management

Problem

Despite improving its contract monitoring process, EPA was still not effectively administering contracts supporting the Office of Solid Waste (OSW). EPA's failure to properly manage contracts resulted in contractors performing unauthorized and unfunded work, and Agency personnel engaging in potential conflicts of interest.

We Found That

In response to numerous audit reports, EPA has increased contract management resources to improve its management of contracts and provide assurance that quality work was received at a reasonable price and contractors complied with the terms of the contracts. The Office of Administration and Resources Management requested this audit to help

identify and resolve problems in managing OSW support contracts. We identified many of the same problems as previously reported.

- On 13 of the 43 contract actions reviewed, OSW personnel requested contractors to perform work before a formal agreement was reached. On four other contract actions, contractors performed work before funds were obligated or work that exceeded the estimated cost. As a result, contractors incurred an estimated $532,723 in unauthorized or unapproved costs. Also, for two other contracts requested by management to be reviewed, the contractors incurred approximately $400,000 in unauthorized costs before the work was ordered by the contracting officer.
- EPA paid $814,682 to contractors for work completed before an agreement was reached on how the work was to be performed and how much it should cost. Also, contractors were paid without EPA adequately reviewing progress reports and billing invoices.
- Half of the 34 OSW personnel interviewed were selecting and directing the work of subcontractors even though this infringed on the authority and responsibility of prime contractors. This increases the potential for and appearance of possible wrongdoing and conflicts of interest on the part of EPA employees.
- On seven contract actions, EPA paid an estimated $115,216 in general and administrative costs and fees to the prime contractors that had minimal involvement in the work assignments, added little value to the work, and could have been saved by contracting directly with the subcontractors or consultants.

We Recommended That

The Assistant Administrator for Administration and Resources Management and the Acting Assistant Administrator for Solid Waste and Emergency Response:

- Expand contract reviews to ensure that contractors only perform work that is authorized and funded. Revoke contract managers' certifications when work is improperly requested.
- Require contractors to submit detailed information on how subcontractors are selected. Expand contract reviews to ensure that EPA personnel are not improperly involved in selection and supervision of subcontractors' work.
- Improve procedures for reviewing contractors' invoices and monthly status reports.
- Emphasize to OSW personnel proper contracting procedure.

What Actions Was Taken

The Assistant Administrators for Administration and Resources Management and for Solid Waste and Emergency Response took prompt corrective actions on some of our recommendations and agreed to do so on others. The final audit report (9100209) was issued on March 13, 1989, and a response is due on June 11, 1989.

Management Improvements Needed for Better Compliance with Hazardous Waste Law

Problem

Monitoring and enforcement of Consent Agreement/Final Orders (CA/FO) under the Resource Conservation and Recovery Act (RCRA) were not timely and adequate to require hazardous waste violators' compliance with RCRA requirements. Noncompliance provides economic benefits for the violators and potentially exposes the public to unknown hazards.

Background

EPA's responsibility for administering and enforcing RCRA begins by issuing a notice of violation or warning letter, without penalty, followed by an administrative order requiring compliance and a negotiated settlement, or a consent agreement and final order. CA/FOs are tantamount to contracts, in which EPA forgoes its right to continue with enforcement proceedings in return for the violator's agreement to comply by performing specified remedial actions; CA/FOs may include the payment of specific penalties. Violators' failure to take action under the CA/FOs would allow EPA to take civil enforcement actions.

We Found That

Reviews at three regional offices disclosed that regional procedures were ineffective in assuring that violators complied with RCRA CA/FO requirements. Of the 29 CA/FOs reviewed that were executed during January 1983 through April 1987 covering a cross section of the major regulatory violations, 83 percent of RCRA enforcement files could not demonstrate compliance with the terms and conditions of CA/FOs. As a result of inadequate regional procedures, EPA did not detect noncompliance and unauthorized time extensions and modifications to CA/FOs. Violators were allowed time extensions to comply with program requirements from which they could economically benefit by delaying or avoiding the cost of compliance. In addition, RCRA goals of preventing future hazardous waste sites could be jeopardized by inadequate and untimely corrective actions by violating facilities. We attributed these conditions to regional managements' failure to:

- Use stipulated penalty provisions in the executed CA/FOs;
- Adequately define technical requirements and establish clear timeframes for compliance;
- Perform routine followup inspections;
- Establish tracking systems and procedures for monitoring compliance; and
- Maintain post-order compliance files on RCRA violators.

We Recommended That

The Assistant Administrators for Solid Waste and Emergency Response, and Enforcement and Compliance Monitoring improve the effectiveness of EPA's compliance monitoring program by:

- Instituting a more aggressive oversight program of regional CA/FO activities;
- Publishing guidance on regional standards for monitoring CA/FO provisions and for maintaining post-order compliance files; and
- Establishing an effective automated regional CA/FO tracking system that can be uniformly implemented by the regions to improve compliance monitoring.

What Action Was Taken

The Assistant Administrators for Solid Waste and Emergency Response, and Enforcement and Compliance Monitoring are issuing guidance on Certification of Compliance with Enforcement Agreements and implementing corrective actions. The Office of Solid Waste and Emergency Response is restructuring its regional reviews to include analyses of both enforceability of CA/FO terms and documentation of compliance oversight. A new RCRA information system, to be implemented in fiscal 1990, will correct the data management deficiencies. The final audit report (9100215) was issued on March 17, 1989, and a response is due on June 15, 1989.

Slow Processing of State Plans Adversely Affects Enforcement

Problem

EPA's slow processing of State Implementation Plans (SIP) has adversely affected enforcement under the Clean Air Act through significantly reduced penalties from those originally proposed and the Department of Justice's refusal to pursue some cases.

Background

SIPs are State plans for attaining and maintaining EPA's air quality standards under the Clean Air Act. EPA must approve or disapprove initial SIPs, or portions thereof, before they become federally enforceable. The act requires EPA to review initial SIPs within 4 months. The act also requires States to petition EPA for revision to existing SIPs, especially when compliance with original SIPs has not achieved or maintained the desired objectives, or to incorporate new regulatory requirements or standards. EPA currently receives and processes approximately 350 SIP revisions a year.

We Found That

The Office of Air and Radiation was far exceeding its 14-month goal for processing SIPs. As of May 31, 1988, SIPs that EPA planned to disapprove had been under Headquarters review for an average of 30 months, while those under regional review averaged 28 months. Slow SIP processing resulted in court decisions unfavorable to the Agency's air enforcement efforts. Certain courts have ruled that EPA could not collect civil penalties until it acted on the SIP revision. This has been a significant factor, but not the sole factor, in EPA's decision to reduce civil penalties from $4 million to $495,000 in the five cases we reviewed and the Department of Justice's refusal to pursue some cases. In addition, these court decisions have made air enforcement in certain areas difficult.

EPA lacks an accountability system for meeting SIP review timeframes. One method used for fiscal 1986 and 1987 to track the 14-month goal was the Strategic Planning and Management System (SPMS). However, the compliance tracking sections in SPMS were removed because it was deemed ineffective in ensuring timely SIP processing. As a result, the Agency lost its formal mechanism for monitoring and promoting compliance with its 14-month goal.

Many reforms were either planned or underway to reduce SIP processing time, including the delegation of decision-making authority to Regional Administrators for certain SIP actions, procedures for determining whether SIP submittals contain the necessary information, and improved oversight of SIP processing.

We Recommended That

The Acting Assistant Administrator for Air and Radiation:

- Seek support of Congress to amend the Clean Air Act to specify a realistic time period for reviewing initial SIPs and revisions;
- Evaluate compliance with SIP processing time goals; and
- Resolve issues adversely affecting policy development.

What Action Was Taken

We issued a final report (9100210) to the Acting Assistant Administrator for Air and Radiation on March 13, 1989. In the interim, the Office of Air and Radiation has established procedures for (1) determining whether SIP submittals contain the necessary information and (2) processing SIP submittals with concurrent enforcement action in a priority manner. A response to the final report is due on June 11, 1989.

Complete Data Not Available to Evaluate Compliance and Enforcement Actions

Problem

Incomplete data and unreliable software in the Permit Compliance System (PCS) prevent EPA from measuring compliance with the National Pollutant Discharge Elimination System (NPDES) and taking appropriate actions to control pollution discharges.

We Found That

EPA controls pollution and enforces the Clean Water Act through the NPDES by requiring emitting sources to have permits for all discharges into the nation's waterways. PCS provides the information critical to the tracking and monitoring of permits, compliance, and evaluations of the NPDES. However, the PCS data base which identifies and measures environmental quality was missing a significant amount of data. Of 14 states sampled, an average 23 percent of the required permit compliance measurement data of actual effluent levels was missing from the system. As a result, management has no assurance that actions taken are correct or appropriate. The incomplete data was the result of user difficulty in making complex data entries, insufficient training of EPA and State users, inadequate system instructional or reference materials, and system unreliability. Inadequate testing and evaluation of software contributed to the system's unreliability.

We Recommended That

The Acting Administrator for Water develop a specific plan to resolve all major software reliability problems, improve data entry, and provide users with complete, well organized documentation.

What Action Was Taken

The Acting Assistant Administrator for Water plans to make the system "user friendly" for retrieval and make system documentation available to the user community. The final audit report (9100192) was issued on February 15, 1989. The Office of Water's response is due on May 12, 1989.

Different Monitors Can Lead EPA to Different Conclusions About Air Quality

Problem

EPA's policy of accepting air monitor measurements without regard to the type of monitor used can result in inconsistent conclusions of whether air quality standards have been met.

Background

The Clean Air Act requires EPA to identify and set standards for airborne pollutants and to establish a nationwide air monitoring system. The act assigns the State and local agencies responsibility for identifying and controlling air pollution. To implement the act, EPA established National Ambient Air Quality Standards for six pollutants, including small particulates called PM10 (a broad class of chemically and physically diverse substances 10 micrometers or less in diameter). Various types of monitors produced by two manufacturers have been used to measure PM10, but can result in different readings.

We Found That

- Opposite attainment decisions could be made, for identical PM10 concentrations near the standard, solely because of the type of monitors used. One of the two EPA-approved monitors may give consistently higher measurements than the other. For example, we identified 27 areas with PM10 readings slightly above the standard which indicated that the areas were potentially out-of-attainment and may require controls to limit PM10 pollutants. However, had these areas used the other manufacturer's monitor, it is possible that some of these measurements would have been below the standard and no corrective action would be required.

- EPA may have difficulties enforcing attainment decisions and should anticipate being challenged on the validity of data from the monitors. When measurements are near the standard, EPA's practice of accepting all monitor measurements at face value without regard to the type of monitor does not provide an authoritative basis to determine whether attainment has or has not been achieved. Also, regulations allowing new monitor types to be approved for use in measuring PM10 concentrations, if they provide measurements within 10 percent of certain monitor types, will widen the differences between PM10 measurements.

- EPA may delay attainment decisions because it will only use data from nonapproved monitors to supplement and corroborate data from approved monitors. EPA should use data from nonapproved monitors, if necessary, to make attainment decisions when monitor data is far above or below the standards.

We Recommended That

The Acting Assistant Administrator for Air and Radiation allow for flexibility in interpreting measurements near the PM10 standard and consider additional uses for data from nonapproved monitors in making attainment decisions.

What Action Was Taken

The audit report (9100227) was issued to the Acting Assistant Administrator for Air and Radiation on March 31, 1989. A response is due by June 29, 1989.

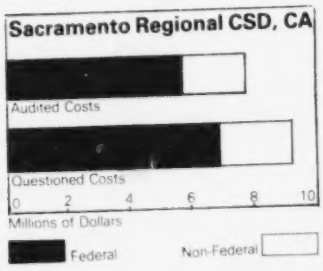
Construction Grants

EPA's wastewater treatment works construction grants program is the largest single program the Agency administers. Under the provisions of Public Law 92-500, as amended, the Agency is authorized to make grants covering 55 percent and, in some instances, up to 85 percent of the eligible costs of constructing wastewater treatment facilities. During the first half of fiscal 1989, a total of $426 million was obligated on 55 new awards and 228 increases to existing grants. At the end of this period, there were a total of 1,744 active construction grants representing $11.2 billion in Federal obligations.

Amendments to the construction grants program are covered in title II of the Water Quality Act of 1987. Section 212 creates a new Title VI in the Clean Water Act, which addresses the process of phasing out the construction grants program by providing incentives for development of alternative funding mechanisms by the States. The new title VI charges EPA to develop and implement a program to provide grants to capitalize State revolving funds for financing wastewater projects.

At midyear, a total of $327 million was awarded on nine new capitalization grants and five continuation grants. EPA awarded the nine new capitalization grants to New Jersey, Nebraska, South Carolina, Alaska, Arkansas, South Dakota, Kentucky, Oklahoma, and North Carolina. As of the end of this semiannual period, EPA has obligated a total of $577 million to 17 States under the revolving fund program.

Noncompliance with Special Grant Condition Requires Grantee to Repay over $9 Million



Problem

The Sacramento Regional County Sanitation District, California, did not adhere to a special grant provision prohibiting new sewer connections, requiring the grantee to repay costs claimed plus interest totaling over $9 million.

We Found That

The grantee violated the grant's special condition. The violation occurred when it allowed the Sacramento Sports Association to construct the new Arco Arena within the prohibited North Natomas area. The new arena, which served as the home court for the Sacramento Kings professional basketball team, was connected to the Natomas interceptor system. The connection violated the prohibition of new connections to the interceptor system. As a result, the grantee must reimburse EPA and the State all project costs and accrued interest. As of September 1988, this amounts to $9,046,579.

We Recommended That

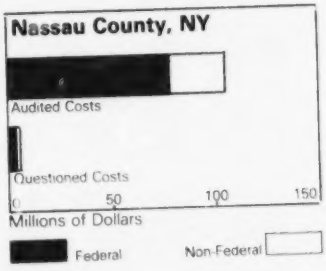
The Regional Administrator, Region 9 recover the full Federal share of costs paid the grantee along with accrued interest.

What Action Was Taken

The audit report (9300035) was issued to the Regional Administrator on March 31, 1989. A response to the audit report is due on June 29, 1989.

ARCO Arena, Sacramento, CA. (Photo by OIG Staff)

Ineligible and Unsupported Costs of $5,648,219 on Nassau County, New York, Project



Problem

The county of Nassau, New York, claimed $1,773,999 of ineligible construction costs, administrative expenses, engineering fees, and force account costs. An additional $3,874,220 of unapproved costs were questioned.

We Found That

EPA awarded four grants totaling $77,416,587 to Nassau County, New York, for the construction of an advanced wastewater treatment works and modifications. We questioned $1,773,999 of costs claimed by the grantee, including:

- $1,272,861 of construction costs and architectural engineering fees claimed in excess of eligible costs;
- $431,117 of project inspection fees, administrative expenses for accounting services which were disallowed by the New York State Department of Environmental Conservation, engineering fees, and force account costs incurred after the project cutoff date; and
- $68,865 of ineligible project inspection fees associated with easement drawings, and construction completion and cleanup.

In addition, we questioned $3,874,220 of unsupported construction costs, administrative expenses, and project inspection fees pending submission of adequate supporting documentation, or pending review and approval of the force account.

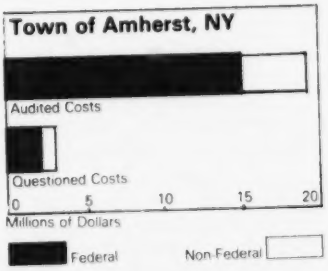
We Recommended That

The Acting Regional Administrator, Region 2, not participate in the Federal share of the ineligible costs ($1,330,499) and determine whether EPA should participate in the Federal share of unsupported costs ($2,905,665).

What Action Was Taken

The audit report (9100119) was issued to the Acting Regional Administrator, Region 2, on December 21, 1988. A response to the audit report, due on March 21, 1989, had not been received as of April 25, 1989.

Grantee Claims over $2.9 Million of Ineligible or Unsupported Costs



Problem

The town of Amherst, New York, claimed over $1 million for ineligible work, services, and expenses such as development and construction of a recreation area and bond issuance costs of the municipality. An additional $1.9 million of unsupported costs were questioned.

We Found That

EPA awarded two grants totaling $38,628,707 to the

town of Amherst, New York, for the construction of sanitary and interceptor sewers, a lift and pump station, and additions and alterations to treatment facilities. We questioned $1,052,341 of the final costs claimed as ineligible, including:

- $698,150 of architectural engineering fees allocable to another grant, costs claimed in excess of contract ceilings, and services outside the scope of the grant;
- $236,790 of administrative and miscellaneous expenses previously disallowed by the New York State Department of Environmental Conservation, costs in excess of those acceptable for local government including issuance and sale of bonds, and expenses outside of the scope of the project (primarily for the construction of a recreation area); and
- $117,401 for construction change orders and property damages unallowable under EPA regulations or in excess of eligible contract costs.

Also, we questioned $1,904,074 of unsupported cost claims pending EPA's evaluation of their eligibility associated with architectural engineering fees, preliminary and miscellaneous costs not included in the grant budget, and administrative costs lacking adequate documentation.

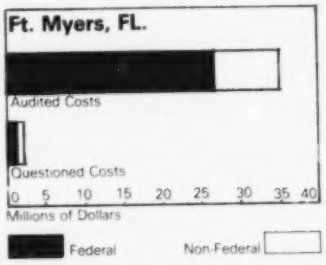
We Recommended That

The Acting Regional Administrator, Region 2, not participate in the Federal share of ineligible costs ($789,255), determine the eligibility of the Federal share of unsupported costs ($1,428,056), and recover the applicable amount from the grantee.

What Action Was Taken

The audit report (9100118) was issued to the Acting Regional Administrator, Region 2, on December 21, 1988. A response to the audit report, due on March 21, 1989, had not been received as of April 25, 1989.

Improper Contracting Procedures Increase Florida Grantee's Costs by over $1.5 Million



Problem

Ft. Myers, Florida, incurred an additional $1.5 million due to a failure to take the lowest bid on a construction contract, improper computation for innovative funding, duplicative and excessive administrative costs, and contracting for engineering services at three to four times the average rate.

We Found That

Ft. Myers required prospective construction contractors to submit separate bids for a wastewater treatment plant and support facilities. Instead of accepting the lowest combination of bids, the grantee accepted the lowest base bid for the plant but also improperly awarded the same contractor a change order for the support facilities even though four other contractors submitted lower bids. This was in violation of procurement requirements and resulted in unnecessary costs of $775,800. The grantee also negotiated contracts with its consulting engineering firm for operation and maintenance manuals and startup services that were three to four times higher than the average costs for a comparable size plant; $587,000 of the contracted amount was questioned as unsupported. The grantee claimed that EPA had approved these costs to support an innovative project.

The grantee could not support $45,000 of administrative expenses and claimed ineligible duplicative costs of $80,000 for grant accounting and construction monitoring.

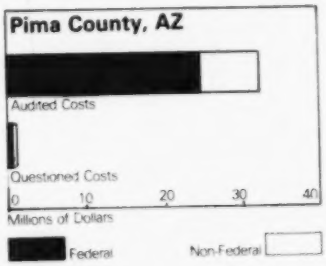
We Recommended That

The Regional Administrator, Region 4, recover the Federal share of the questioned costs ($1,283,461) and review the unsupported costs ($276,789) to determine their eligibility for grant participation.

What Action Was Taken

The audit report (9100134) was issued to the Chief, Facilities Construction Branch, on December 29, 1988. A response to the audit report, due on March 29, 1989, was received on April 26, 1989 and is under evaluation.

Grantee Claims $2,489,055 of Unsupported or Ineligible Costs



Problem

The Pima County Wastewater Management Department, Tucson, Arizona, claimed $1,768,752 of ineligible inspection fees, architectural engineering fees, construction costs, and administrative expenses. An additional $720,303 of unsupported costs were questioned.

We Found That

EPA participated in grants totaling $63.5 million to assist the Pima County Wastewater Management Department plan, design, modify, and construct its wastewater treatment systems. We questioned $1,768,752 of the grantee's final claim as ineligible for Federal grant participation, including:

- $474,195 of project inspection fees incurred after the approved construction contract completion cutoff dates and use of the prohibited method for calculating engineering costs;
- $457,205 of architectural engineering fees that were not properly or adequately supported, exceeded allowable limits, costs incurred outside the scope of the approved project, and unallowable plant startup costs;
- $427,777 of construction and project improvement for change orders not approved by EPA and construction work ineligible for reimbursement; and
- $409,575 of administrative expenses that were not adequately supported, force account and indirect costs not approved by EPA or in excess of the grant amount.

We also questioned $720,303 of subagreement engineering bills not segregating costs between categories such as direct labor, indirect cost, and profit as required, pending the grantee submitting supporting documentation.

We Recommended That

The Regional Administrator, Region 9:

- Disallow the $1,768,752 of costs questioned in the audit reports, and recoup the $1,327,808 Federal share previously paid to the grantee; and
- Assess the eligibility of the $720,303 of unsupported costs.

What Action Was Taken

Three reports (9300013, 9300014, and 9300027) were issued to the Regional Administrator, Region 9, on December 13, and 20, 1988, and March 9, 1989. A response to the audit reports is due within 90 days (March 13, March 20, and June 7, 1989). As of April 25, 1989 we had not received responses to the reports.

Superfund Program

The Superfund program was created by the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA). The act provided a $1.6 billion trust fund for removal and remedial actions, liability, compensation, cleanup, and emergency response for hazardous substances released into the environment and uncontrolled and abandoned waste sites. Taxing authority for the trust fund expired on September 30, 1985. For more than a year, the Superfund program operated at a reduced level from carryover funds and temporary funds provided by Congress.

On October 17, 1986, the Superfund Amendments and Reauthorization Act of 1986 (SARA) was enacted. It provides $8.5 billion to continue the program for 5 more years and makes many programmatic changes.

The parties responsible for the hazardous substances are liable for cleaning up the site themselves or reimbursing the Government for doing so. States in which there is a release of hazardous materials are required to pay 10 percent of the costs of fund-financed remedial actions, or 50 percent if the source of the hazard was operated by the State or local government.

The enactment of SARA has increased the audit requirements for the Inspector General. In addition to providing a much larger and more complex program for which the OIG needs to provide audit coverage, SARA gave the IG a number of specific responsibilities. Mandatory annual audit areas include:

- Audit of all payments, obligations, reimbursements, or other uses of the fund;
- Audit of Superfund claims;
- Examination of a sample of agreements with States carrying out response actions, and
- Examination of remedial investigations and feasibility studies prepared for remedial actions.

The Inspector General is required to submit to the Congress an annual report regarding the required Superfund annual audit work, containing such recommendations as the IG deems appropriate. The first annual report, covering fiscal 1987, was issued in September 1988.

In addition, the EPA Administrator is required to submit a detailed annual report to the Congress on January 1 of each year on the progress achieved in implementing the act during the preceding fiscal year. The OIG is required to review this report for reasonableness and accuracy, and the Agency is required to attach the result of the OIG reviews to the Agency's annual report. The Agency's annual Superfund report for fiscal 1987 was signed by the Acting Assistant Administrator for Solid Waste and Emergency Response on April 6, 1989. The OIG review of the report was also issued on April 6, 1989. The Administrator had not signed the report as of April 21, 1989 and transmitted it to the Congress. The report for fiscal 1988, and the IG review of it, are still in preparation.

Better Health and Safety Programs Needed in Region 2

Problem

Properly functioning health and safety programs were needed to protect EPA employees from exposure to moderate- and high-risks from hazardous waste operations.

Background

The Superfund Amendments and Reauthorization Act required the establishment of a standard for the health and safety of employees engaged in hazardous waste operations. Also, EPA is required to promulgate standards identical to those issued by the Occupational Safety and Health Administration (OSHA). As of December 1988, the final standards had not been finalized by OSHA. However, under provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, EPA has established a program to protect the health and safety of employees responding to hazardous substance releases, removals, or remedial actions.

We Found That

Although Region 2 has improved the organization and administration of the health and safety programs, scheduled medical examinations, provided training, and purchased equipment, additional actions were warranted to improve the programs' effectiveness. Specifically, we found that Region 2:

- Did not have safety personnel with adequate management or field experience to provide the technical guidance that Superfund and Resource Conservation and Recovery Act (RCRA) field personnel needed in hazardous waste operations and emergency response activities. Instead, the Region relied on the assistance of other employees and outside contractors to provide field expertise.
- Was permitting field personnel to work at Superfund and RCRA sites without receiving required medical monitoring examinations before their assignment or termination from the Agency. The medical monitoring program serves as a basis to ensure fitness for duty, detect adverse effects of occupational exposure, and initiate prompt corrective action.
- Did not establish a respiratory protection program for its employees although Agency regulations required such a program. As a result, the Region has limited assurances that personnel have been properly trained in safety procedures and have adequate, well-maintained equipment.

We Recommended That

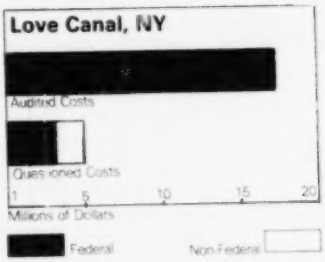
The Acting Regional Administrator, Region 2:

- Consider supplementing the Region's health and safety staff with a full-time health and safety specialist having sufficient expertise in moderate- and high-risk work areas;
- Establish and implement a policy to perform termination examinations in accordance with OSHA regulations; and
- Establish a formal regional respiratory protection program.

What Action Was Taken

The audit report (9100213) was issued to the Acting Regional Administrator, Region 2, on March 15, 1989. A response is due on June 13, 1989.

Documentation Still Not Available to Support $5,140,503 of Love Canal Superfund Costs



Problem

Inadequate documentation of the New York State Department of Environmental Conservation's (DEC) final credit claim for the Love Canal hazardous waste cleanup resulted in over $3.3 million of ineligible costs, and $1.8 million of unsupported costs.

Background

Between 1942 and 1953, 21,800 tons of chemical wastes from the Hooker Chemical plants were deposited in the 16-acre Love Canal landfill located in the southeast end of the city of Niagara Falls. During the 1950's, homes were built adjacent to the site and a public school was built on the property. As a result of leaking hazardous waste chemicals from the Love Canal landfill, the United States undertook a major Federal emergency cleanup to save lives and protect property. A second Federal emergency was declared to purchase homes, relocate more than 700 families who still lived near the toxic waste dump, and perform remedial construction of the Love Canal area.

We Found That

DEC claimed $17,619,773 for credit under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (CERCLA) for non-Federal funds expended at Love Canal between January 1, 1978, and December 11, 1980. This credit is used toward offsetting the State's cost share requirement. We questioned $5,140,503 of the net costs reimbursed by other Federal agencies and costs incurred after the December 11, 1980, cutoff date due to a lack of adequate documentation supporting the reasonableness and acceptability of costs claimed for property acquisitions, relocations, administrative and personal service costs, payroll, fringe benefits, supplies, and equipment. Since our March 1983 audit report of the State's initial claim, DEC has had ample opportunity to provide the necessary documentation to support the expenditures claimed.

We Recommended That

The Acting Regional Administrator, Region 2, not allow credit under CERCLA for the $5,140,503 of questioned costs.

What Action Was Taken

The audit report (9100221) was issued to the Acting Regional Administrator, Region 2, on March 23, 1989. A response to the audit report is due on June 21, 1989.

Special And Prospective Reviews

This is a new section in our semiannual report describing significant and potential findings, deficiencies, and recommendations which have been identified through evaluations, analyses, projects and audits. These projects are intended to help Agency managers correct problems, and recognize the potential for savings before resources are fully committed.

Special Reviews

Special reviews are narrowly focused studies of programs or activities providing management a timely, informative, independent picture of operations. Special reviews are not statistical research studies or detailed audits. Rather, they are information gathering studies that identify issue areas for management attention.

Scientists Critical of EPA's Monitoring of Ocean Dumping

Problem

Members of the scientific community disagree with the adequacy of EPA's monitoring at the 106-Mile Deepwater Municipal Sludge Dump (DMSD) site.

We Found That

EPA established the 106-Mile DMSD site in May 1984. EPA is required to conduct a program of research and monitoring of the effects of dumping on the ocean environment. Since municipal sludge was first dumped at DMSD in March 1986, over 8 million wet tons of sewage sludge containing toxic materials that pose a potential danger to human and marine health are being dumped every year.

Scientists from EPA and other organizations disagree about the adequacy of EPA's monitoring program at the 106 Mile DMSD site. Scientists are concerned whether: (1) monitoring should have been accelerated; (2) current actions should have been taken years ago; and (3) much of the data gathering is duplicative and unnecessary; and why the Agency has not begun to look at the cumulative effects of the dumping after two years and spending $2 million. Also, the fishing industry in New York and New England has claimed that sludge dumping is harming their catch. Although EPA has begun collecting data on individual dumping events it will not begin to study the cumulative effects of sludge dumping until 1990.

EPA has not acted expeditiously to reduce sludge dumping to prevent toxicity levels from violating established limits. EPA's survey cruises proved toxicity thresholds were being exceeded which would require the dumping rate to be slowed. The new rates are to be incorporated in dumping permits beginning on August 15, 1989. The two year delay in setting new sludge dumping rates was avoidable because, instead of relying on field data, EPA could have used an allowable method of calculating discharge rates. Additionally, EPA has not developed contingency plans for dealing with possible emergencies if sludge dumping proves to threaten human health or the marine environment. The Agency has not encouraged the sharing of scientific data gathered at the DMSD site with other interested agencies or scientific groups.

We Recommended That

- The Agency establish an independent panel of scientific experts to prioritize monitoring needs and recommend allocation of resources.
- Discharge rates be reduced so that toxicity thresholds are not exceeded.
- Contingency plans be developed for situations where sludge dumping endangers human health or the ocean environment.
- Development of a program for exchanging scientific data on sludge dumping research.
- Manpower resources be augmented, where necessary to better manage and coordinate site monitoring activities.

What Action Was Taken

The Ocean Dumping Special Review report (9400024) was issued to the Acting Assistant Administrator for Water and to the Acting Regional Administrator, Region 2, on March 31, 1989. A response to the report is due on June 29, 1989.

O.S.V. Peter W. Anderson
(Photo by Steve Delaney)

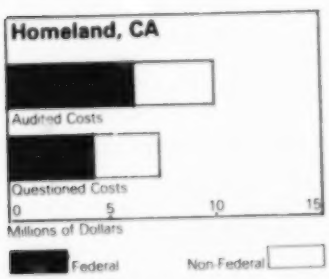
Construction Grant Early Warning System

This relatively new program is designed to identify potential problem construction projects early in their life cycle so that EPA management can take appropriate corrective action.

The long-range goal of the construction grants program is to reduce the discharge of municipal wastewater pollutants to improve water quality and protect public health. EPA provides grants to municipal agencies to assist in financing the construction of wastewater treatment works, which takes 2 to 10 years.

Because audits are generally performed after the project is complete, problems which affect the efficient design, construction, management, or operation of a treatment plant are not disclosed until thousands or millions of dollars are spent. The OIG early warning system reviews projects before construction begins to identify problems and preclude the ineffective expenditure of funds. Our reviews focus on certain indicators and attributes that can suggest the likelihood of a potential problem.

$3.7 Million in Grant Funds to California Grantee Should Not Have Been Awarded



Problem

Erroneous calculations of community population by the California State Water Resources Control Board (SWRCB) allowed a sewer collection project to proceed that will greatly benefit developmental interests.

We Found That

EPA participated in an $11,162,497 construction grant to the Eastern Municipal Water District for a collection system, pump station, interceptor, and treatment plant expansion in the communities of Homeland and Green Acres in Riverside County, California. The Federal share of the collection system portion is estimated at over $3.7 million.

We determined that the grantee did not meet the EPA requirement that two-thirds of the flows within the Homeland-Green Acres service area be from the portion of the community in existence on October 18, 1972. We calculated that these existing dwellings would require less than half of the flow capacity in the system and as a result the collection system portion of the grant is ineligible. The project would greatly benefit development interests. By the grantee's own calculations, the immediate buildout on the collection system would serve more than a threefold increase over existing needs.

The SWRCB erroneously calculated the population percentage numerous times, with the results ranging between 61.6 and 62.6 percent. Although the SWRCB's calculations resulted in less than the two-thirds requirement being met, both SWRCB and Region 9 allowed the grant to be awarded since they considered a percentage in excess of 60 percent as generally satisfying the requirement of the regulation.

The "California Rule," proposed by the SWRCB in response to our flash report, uses a different basis for calculating the population served by a proposed project. The SWRCB claims that using this rule would make the Homeland-Green Acres project eligible. We believe that this alternative method allows for funding of at least portions of practically any new collection system, even if the main beneficiaries are developmental interests.

We Recommended That

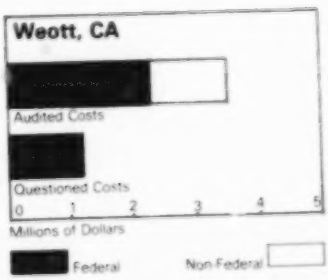
The Regional Administrator, Region 9:

- Obtain written concurrence from the EPA Headquarters General Counsel; Office of Administration, Grants Administration Division; and Office of Municipal Pollution Control, Municipal Construction Division, that the "California Rule" meets the intent of EPA regulations or whether a deviation from the grant regulations is required; and
- Advise the grantee that the collection system portion of the grant is ineligible for grant funding unless a grant deviation to the regulations is obtained from EPA's Grants Administration Division.

What Action Was Taken

A construction grant early warning flash report was issued to the Regional Administrator, Region 9, on February 7, 1989, to alert EPA management of the grantee's ineligibility for the collection system portion of the project and provide the grantee an opportunity to minimize the ineligible costs incurred. Our early warning review report (9400025) was issued on March 31, 1989. A response to the early warning review report is due May 2, 1989.

Grantee Lacks Managerial and Financial Capability to Build a Needed $2.4 Million Wastewater Treatment Facility



Problem

The Weott Community Services District, Weott, California, plans to build a $2.4 million wastewater treatment facility although it lacks the managerial and financial capabilities required for effective accomplishment of its EPA grant project.

We Found That

To alleviate a potentially severe surface water contamination problem from failing septic tanks, EPA and the California State Water Resources Control Board (SWRCB) awarded a grant and a State loan to the Weott Community Services District for the planning, design, and construction of a wastewater treatment facility. However, the Weott Community Services District lacks the necessary managerial capabilities, accounting and procurement systems, and financial resources needed to competently undertake and manage the $2.4 million project in accordance with EPA regulations.

The grantee does not have an adequate staff or other capabilities necessary to provide effective day-to-day project management. The District relies on its consulting engineering firm's project engineer for all project management functions. The project engineer has already performed several actions on the grantee's behalf which may have resulted in a conflict-of-interest situation. For example, during the process of procuring engineering services, the engineer assisted the grantee in evaluating various proposals including his own firm's proposal; his own firm was selected to provide engineering services. Since the grantee has authorized the project engineer to continue to oversee all project activities, the need for an independent project manager becomes all the more evident and critical. The district was previously advised in an SWRCB evaluation performed over a year earlier that it needed to obtain the services of a qualified, independent manager. However, our review pointed

out that the delegated State agency's suggestions for improving the district's overall management capabilities were not implemented during the intervening 16 month period.

Further, the grantee's accounting records were inadequate and did not comply with grant requirements. Vendor invoices and other individual cost items were not always recorded, nor did the grantee's records adequately identify the source and application of all monies received and expended. This lack of proper accounting was due, in part, to the grantee's reliance on the project engineer to maintain the records.

The grantee may have a problem financing its share of the project. While the project is 100 percent funded by a combination of EPA and State grant funds and a State loan, the district did not have any additional funds available to cover any subsequent determination that some project costs may be ineligible for grant participation. Also, under State policy, some funds must be withheld until an audit of the project has been completed. Therefore, any significant combination of ineligible costs or withholding of payments could cause the grantee to experience cash flow problems.

We Recommended That

The Regional Administrator, Region 9 suspend grant payments until the District has complied with EPA regulations by obtaining an independent, qualified project manager to perform day-to-day management functions; implementing an adequate accounting system to meet grant requirements; establishing an adequate procurement system; and demonstrating the ability to finance any unallowable costs and all of the costs incurred until State and EPA reimbursements are received.

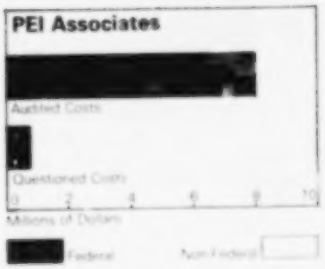
What Action Was Taken

The construction grant early warning review report (9400018) was issued on March 16, 1989. A response is due on May 19, 1989.

Other Grants and Contracts

These are independent reviews of the records and performance of individual grantees and contractors made in accordance with the U.S. General Accounting Office standards for audits of governmental organizations, programs, activities, and functions. These audits are conducted to determine the accuracy of financial statements and the degree of compliance with statutes, regulations, and terms of agreements under which Federal funds are made available.

Accuracy of Contractor's Claimed Costs in Question



Problem

Significant internal control weaknesses in an EPA contractor's financial management system cast doubts on the accuracy of $23 million of claims.

Background

The contractor, PEI Associates, Inc., was awarded contracts to provide environmental management, technical and scientific services in the areas of solid hazardous waste management; energy and environmental engineering; environmental analysis/control of toxic substances; and laboratory services.

We Found That

Poor and improper accounting prevented us from attesting to the accuracy of claims by the contractor under EPA contracts during 1982 to 1984. We questioned $19,685,062 pending a determination of the allowability of these costs. The contractor did not properly use its payroll and purchasing systems to bill costs under EPA contracts, and costs that were billed did not reconcile to the contractor's accounting records because the contractor made unsubstantiated revisions to timesheets after they had been entered into the accounting system; delayed billing labor hours for several months; commingled labor charges from prior months with current billings; and billed hours for selected employees at rates less than the employee's actual pay rates. In addition, we also questioned $1,983,082 as ineligible claims, including:

- $1,079,008 of indirect costs such as fringe benefits, overhead, and general administration in excess of the allowable amounts;
- $698,534 billed in excess of the costs as recorded or incurred in the contractor's books of account;
- $126,779 of labor, other direct, and related indirect costs incurred before the effective date of the contract; and
- $78,761 of profit billed to EPA work by a subcontractor that was a wholly owned subsidiary of PEI, related subcontract administrative costs, costs billed in excess of work assignment ceilings, and excessive fees.

In addition, $1,752,001 of unsupported costs were questioned primarily consisting of $1,539,109 of indirect costs for fringe benefits, overhead, and general and administrative expenses claimed in excess of the audited indirect rate that was not deemed reasonable or allocable to the contracts; and $105,293 of purchases made without written agreements.

We Recommended That

The Contract Management Division, Research Triangle Park, recover the questioned costs of $1,983,082; obtain documentation supporting costs of $1,752,001; determine the allowability of $19,685,062 questioned; and require the contractor to revise its current accounting policies and practices so that all contract costs claimed and billed to Federal contracts conform to the terms of the contracts and Federal regulations.

What Action Was Taken

The audit reports (9100045, 9100071, and 9100077) were issued to the contracting officer on November 1, November 21, and December 2, 1988. Because of the complexities identified in the reports, we extended the response date to May 31, 1989.

Section 2—Audit Resolution

As required by the Inspector General Act, this section describes significant problems identified in previous semiannual reports which remain unresolved. Also, as required by the Supplemental Appropriations and Rescission Acts of 1980 and 1981, this section includes a summary of unresolved audit reports and a list of officials responsible for resolving audit findings over 6 months old.

Overdue Audit Resolution

EPA management and the Office of the Inspector General report overdue audit resolutions, as of March 31, 1989, at 38, an increase from the 29 reported at September 30, 1988. During the first half of fiscal 1989, the Office of Inspector General closed 953 audits and issued 793 new audit reports. There are 365 audits remaining in the Agency followup system for resolution during the second six months of fiscal 1989.

Of the audits closed, $30.8 million of questioned costs were sustained including $26.5 million to be recovered and $4.3 million in cost efficiencies. In addition, cost recoveries in current and prior periods included $2.1 million in cash collections and at least $14.2 million in offsets against billings.

During the past year, EPA formed a task force to develop quality training materials and an approach to help all managers improve their management skills and the performance of their programs. This effort was called "Strengthening the Audit Management Ability of EPA Managers."

The task force produced several products which should strengthen managers' understanding of the importance of audits, enhance their ability to respond to audits, work with auditors, and resolve audits promptly and properly. Three of these products are:

- An Audit Handbook for EPA Managers. This is a "how to" manual for all those who are involved in audits and the audit process.

- A Model Audit Management System that highlights organization and staffing for audit resolution, communication channels among offices, and tracking corrective action.

- A Videotaped Training Package to educate both appointed and career managers about their roles and responsibilities regarding audits and their resolution.

The task force is now ready to train the EPA Audit Follow-up Coordinators (AFCs) from its Headquarters and Regional Offices on how to use the process as a positive management tool and to prepare them to train their staffs. A two day training session is currently being scheduled for May. The AFCs will receive a copy of the training videotape and sufficient copies of the audit handbook and model for distribution to their program managers.

EPA is currently developing an audit resolution and corrective action tracking system and are consulting the IG to ensure that their system will meet the requirements of the Inspector General Act Amendments of 1988.

Previously Reported Items—Corrective Actions Not Taken

The Inspector General Act requires that each semiannual report identify unresolved audits discussed in previous reports. Two hundred and three reports were discussed in all previous reports; 197 have been resolved. The six audit reports listed below had not been resolved as of March 31, 1989.

Audit Number	Grantee/Contractor	Issue Date	Status*
7100358	Aliso Water Mgmt. Agency, CA	06/16/87	No Response
8100927	Program Review R-4 Removal Sites	09/26/88	In Headquarters OIG/Program Office for Final Resolution
8100958	Maui County, HI	09/29/88	No Response
8100966	NUS Field Investigations	09/30/88	Incomplete Response[1] In Process of Resolving
8100468	Miami-Dade, FL	07/02/88	IG In Agreement With 10/25/88 Proposed Final Determination Letter—Awaiting Final Determination Letter to Close Out
8100761	Moses Lake, WA	08/31/88	In Headquarters OIG/Program Office for Final Resolution

*Incomplete audit responses open 90 days or more past report date will be handled as a nonresponse in accordance with EPA Directive 2750, "Management of EPA Audit Reports and Follow-up Actions." All of the reports under this category would be considered nonresponse.

Action Officials for Audit Reports Outstanding More Than Six Months as of March 31, 1989

Action Official	Number of Reports	No Responses	Incomplete* Responses Received	Awaiting Final Determination	in ARB Referral Process
EPA Aministration					
Assistant Administrator for Solid Waste and Emergency Response	1	-	1	-	-
EPA CONTRACTS					
Director, Procurement and Contracts Management Division	1	-	1	-	-
EPA Grants Programs					
Director, Grants Administration Division	3	3	-	-	-
Regional Administrator, Region 1	1	-	1	-	-
Regional Administrator, Region 4	5	1	1	1**	2
Regional Administrator, Region 5	18	5	13	-	-
Regional Administrator, Region 9	8	8	-	-	-
Regional Administrator, Region 10	1	-	-	-	1
Total	38	17	17	1	3

*Incomplete audit responses open 90 days or more past report date will be handled as a nonresponse in accordance with EPA Directive 2750, "Management of EPA Audit Reports and Follow-up Actions." All of the reports under this category would be considered nonresponse.

**Awaiting an acceptable final determination letter. The final determination letter submitted on March 30, 1989 significantly differed from the proposed final detemination letter with which we were in agreement.

Resolution of Significant Audits from Prior Periods

Audit Report Date	Number	Grantee	Federal Share Questioned		Cost to be Recovered	
			Ineligible	Unsupported	Ineligible	Unsupported
05/06/81*[1]	E2GW*0-02-0092-1000937	WEST WINDSOR, NJ	$ 493,050	$ 4,066,022	$ 394,367	$ 3,795,088
12/28/87	P2CW*6-02-0166-8000382	WESTERN MONMOUTH UA, NJ	549,615	720,003	472,866	205,196
04/07/88	P2CW*5-02-0224-8000880	READINGTON, NJ	352,029	239,371	352,029	42,435
06/20/88	P2CW*7-02-0017-8100329	JEFFERSONVILLE, NY	577,122	11,728	7,556	577,122
06/02/87*[2]	P2BW*4-03-0349-7100265	UPPER OCCOQUAN, VA	349,861	3,705,795	445,154	-0-
06/02/87*[2]	P2BW*4-03-0348-7100266	UPPER OCCOQUAN, VA	822,518	573,960	500,669	-0-
01/29/88	P2CW*6-03-0017-8000535	RICHMOND CITY, VA	438,664	706,019	438,664	481,394
09/13/88	N3GM*8-03-0322-8100848	PHILADELPHIA, PA	1,012,595	-0-	1,012,595	-0-
09/04/84*[3]	P2BW*3-04-0265-4100499	LEE COUNTY, FL	1,105,756	11,203,347	970,174	-0-
06/07/88	P2CWP7-05-0046-8900011	NEORSD CLEVELAND, OH	69,215	711,653	67,451	688,969
09/06/88	S2CW*6-09-0142-8100828	KINGS COUNTY, CA	16,798	459,555	16,798	459,555
09/26/88	S2CW*6-09-0207-8100931	CSD - ORANGE CO, CA	7,770,805	93,275	7,146,238	-0-
08/30/88	P2CW*7-10-0042-8100748	TWIN FALLS, ID	1,053,550	-0-	897,649	-0-

[1]*The litigation between the grantee and contractors in evaluation of the cause of the problems and submitting a proposed resolution caused a delay in final resolution. However, EPA had to issue a letter of intent as a Final Determination of the results of the audit.

[2]*The size of the two audits ($74M) and the number of findings and complexities of the issues required extra time for the preparation of a response to the reports, as well as, the review and evaluation of the response by the IG's office.

[3]*This audit was held open pending results of final litigation of this audit.

*Federal share questioned increased up to the amount of costs sustained for recovery in those cases where costs sustained for recovery exceeded Federal share questioned and were the result of action taken on Federal share set aside.

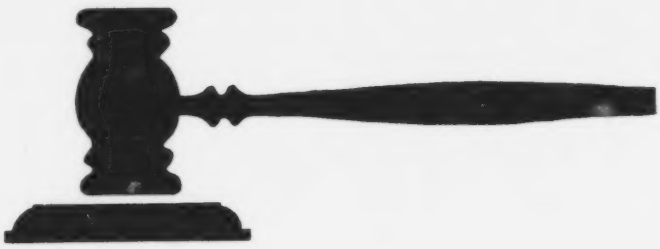
Section 3—Prosecutive Actions

The following is a summary of investigative activities during this reporting period. These include investigations of alleged criminal violations which may result in prosecution and conviction, investigations of alleged violations of Agency regulations and policies, and OIG personnel security investigations. The Office of Investigations tracks investigations in the following categories: preliminary and regular investigations, joint investigations with other agencies, and OIG background investigations.

Summary Of Investigative Activity

During this period, we closed 139 investigations. At the same time, we continued to emphasize long-term, major-impact initiatives and improve the quality of investigative work.

Pending Investigations as of October 1, 1988	242
New Investigations Opened This Period	136
Investigations Closed This Period	139
Pending Investigations as of March 31, 1989	239



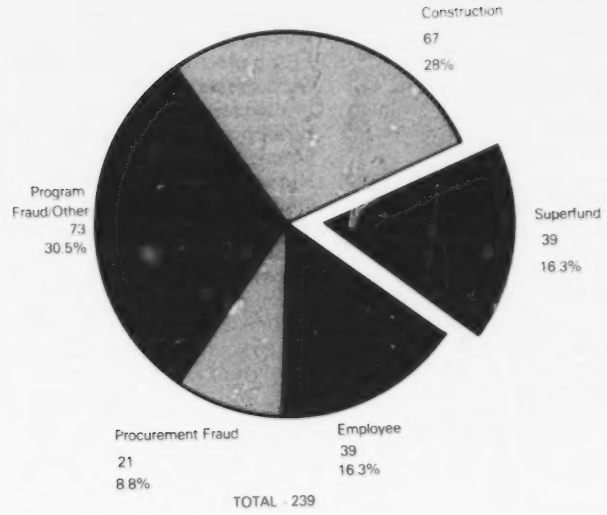
Prosecutive and Administrative Actions

In this period, investigative efforts resulted in 27 indictments and 16 convictions. Fines and recoveries, including those associated with civil actions, amounted to $580,137. Twenty-two administrative actions* were taken as a result of investigations:

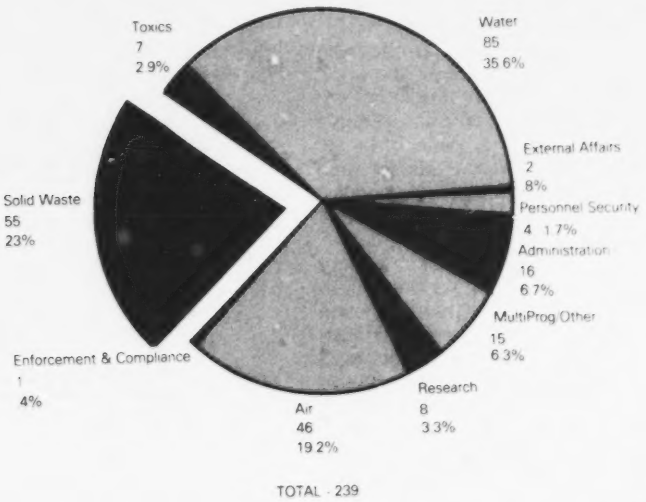
Resignations/Terminations	2
Suspensions	2
Reprimands	4
Restitutions	7
Other	7

*Does not include suspensions and debarments resulting from Office of Investigations activities or actions resulting from reviews of personnel security investigations.

Profile of Pending Active Investigations by Type



Profile of Pending Active Investigations by EPA Office Unit



Description Of Selected Prosecutive Actions

Below is a brief description of some of the prosecutive actions which occurred during the reporting period. Some of these actions resulted from investigations initiated before October 1, 1988.

Connecticut Asbestos Contractor Indicted

The United Painting Company, Inc., of Bethel, Connecticut, its president, James McGuire, and four employees, Jennifer Gaboardi, Christopher Gaboardi, Steven Kovacs, and Christopher Weldon, were indicted February 23, 1989, on charges of conspiring to defraud the Government with false claims and mail fraud.

Bethel, Connecticut, contracted with the United Painting Company on July 18, 1988, to remove asbestos from three schools in the Bethel School District. Under the specifications and instructions to bidders for this contract, it was required that the contractor comply with all Federal regulations governing asbestos removal in schools. This contract fell under the jurisdiction of EPA, which regulates the school asbestos removal program under the Asbestos Hazard Emergency Response Act (AHERA).

Specifically, the indictment alleges that all six defendants conspired to defraud the Government by engaging in asbestos removal projects in violation of the regulations requiring all workers on such projects to have completed EPA approved training programs in asbestos removal. The defendants also allegedly falsely certified that the employees on the project had completed the required courses.

This investigation was conducted jointly by the EPA Office of Inspector General and the United States Postal Inspection Service.

Convictions Mount in New York Bribery Episode

Twenty-five asbestos removal contractors in the New York metropolitan area were arrested January 5, 1988, and charged with bribing an EPA inspector. Subsequently, 25 contractors representing 19 companies were indicted, charged with bribing the inspector to (1) overlook violations of Federal rules and regulations regarding asbestos removal conducted by the defendants and (2) stay away from job sites being worked by their companies. As of March 31, 1989, 16 contractors have pled guilty to the charges and 4 have been convicted after a trial. Fourteen contractors have been sentenced and fined a total of $535,000 and six and a half years imprisonment.

The arrest, indictments, and convictions are the result of a continuing investigation by the Department of Labor's Office of Labor Racketeering and the EPA Office of Inspector General.

EPA regulations require that specific work practices be used during demolition and renovation of structures involving asbestos to minimize the potential exposure of workers and the general public in the vicinity of the removal and disposal actions.

Contractor's Overcharging Uncovered

EPA has recovered $23,682 in labor overcharges on a contract with a major computer services corporation.

The investigation was initiated originally on several allegations directed at a subcontractor. One allegation substantiated by an OIG investigation involved the billing by the subcontractor for two employees at the highest labor rate in the contract. EPA had been billed, in turn, by the prime contractor for these excessive labor costs. An OIG inquiry disclosed that the two employees did not meet the experience and education requirements of the highest labor rate.

In January 1989, the Procurement and Contracts Management Division advised OIG that a fixed labor rate of $23.99 per hour had been agreed upon with the prime contractor in lieu of the $47.05 per hour rate which had been paid for the 1,027 hours which had been questioned. The contract was subsequently modified to recover the funds due EPA.

EPA Contractor Pleads Guilty To Being an Accessory to Theft of Government Property

SCS Engineers, Inc., of Reston, Virginia, pled guilty in November 1988 to charges of accessory after the fact to theft of U.S. Government property. As previously reported, Gary L. Mitchell, a former staff engineer with SCS Engineers, pled guilty in June 1988 to removing confidential procurement information from an EPA facility during 1985, before and during the solicitation for a technical support contract valued at about $45 million. The investigation was based on an allegation from a competitor that GCA Technology Division, Inc. of Bedford, Massachusetts, possessed a copy of their bid proposal. At that time Mitchell was an SCS employee on an EPA project for the Office of Solid Waste. Further investigation determined that SCS Engineers knew of Mitchell's offense after the fact and assisted Mitchell. The information was taken to benefit SCS as a potential subcontractor to GCA, which subsequently received this information.

Illegal "Gray Market" Cars

We continue to work with Federal and State agencies investigating "gray market" auto dealers and emissions modifications and testing facilities who illegally sell, modify, or test imported cars that have been falsely certified to meet Federal standards. Gray market auto dealers import cars to the United States, modify them to meet U.S. safety and EPA emission standards, and resell them for far less than U.S. franchised dealers. The problem concerning EPA is that many conversions of gray market cars do not meet emission standards. (Please refer to a description of revisions in the EPA regulations on page 9). The OIG is concerned with modifiers and certifiers of gray market cars who submit or induce others to submit false statements to EPA claiming that such cars meet these standards. Five examples of schemes to defraud the public follow.

North Carolina Trio Indicted

Motorcars International (MCI), Gardner H. Altman, Jr., Bernhardt Mueller, and Jerry L. Blackmon were indicted February 14, 1989, on charges of conspiring to defraud, making false statements, false customs declarations, and forgery. Altman and Mueller established MCI to import vehicles from Germany into the U.S. for resale. Blackmon conducted the day-to-day operations of MCI.

A joint investigation by the EPA OIG and the U.S. Customs Service revealed that between November 1983 and May 1985, the defendants imported approximately 24 Mercedes Benz and Porsche cars into the United States for commercial sale by means of fraudulent practices and false invoices, declarations, and written statements.

Florida Importer Sentenced

Nikos Athanassopoulos was sentenced on February 10, 1989, to two years imprisonment, to be followed by a 5 year term of probation, for illegally importing gray market Mercedes Benz automobiles to the U.S. and making false statements to EPA regarding such automobiles. Athanassopoulos was further ordered to pay restitution to the automobiles' purchasers, to whom Athanassopoulos had misrepresented the age of the vehicles. Athanassopoulos had previously been indicted on May 11, 1988, on charges of making false statements and false customs declarations in connection with the entry of gray market vehicles into the United States.

The case which was investigated jointly by the U.S. Customs Service and the EPA OIG, had uncovered that approximately 250 vehicles had been illegally imported into the United States through the Port of Jacksonville, Florida.

Two Importers Indicted in Las Vegas

Georgios I. Gianakopoulos and Karl Leon Lerner, along with other unnamed individuals, were indicted in Las Vegas, Nevada, on October 12, 1988, on charges of conspiring to import foreign-made vehicles, generally Mercedes-Benzes, and then reselling them without modifying them to meet Federal emission and safety standards. The vehicles were misrepresented to domestic buyers through phony documents identifying "strawman" importers.

The investigation leading to this indictment was conducted by the EPA OIG in cooperation with the U.S. Customs Service and the Department of Transportation OIG.

Dutch Importer Sentenced

Harmon Westra of Vennep, Holland, was sentenced on January 9, 1989 to 3 years unsupervised probation, fined $2,500, and ordered to report to any probation office within the Judicial District of New Jersey anytime he enters the United States. Westra had pled guilty to charges of illegally importing foreign vehicles through the Port of Newark, New Jersey.

Westra falsified import documents on several vehicles, including two Mercedes Benz automobiles, stating that other individuals were the owners of the cars when, in fact, Westra was the owner. EPA regulations provide for a one-time exemption to an individual to import one car, 5 years and older, without complying with the Clean Air Act requiring modification of the vehicle's emission control system.

Georgia Supplier Continued Criminal Activity

Alan Blane Grant of Douglasville, Georgia, was arrested on December 19, 1988, and charged with defrauding the Government at least through September 1988 on a contract with the U.S. Navy to furnish a van-mounted television sewer inspection system for use at naval bases in Hawaii. According to the indictment, Grant conspired with others to disconnect the odometer and drive the sewer inspection van from Georgia to San Bruno, California, where the odometer was reconnected and the vehicle represented to the Navy as a new vehicle. The indictment further alleges that other equipment required by the contract was missing when the vehicle was delivered to the Navy, despite Grant's certified contract compliance. Grant is also charged with selling equipment that the Navy turned back to him for repair.

As reported previously, Grant pled guilty in November 1987 to defrauding the Government by providing underweight and defective grout used in EPA-funded sewer rehabilitation projects. The judge enjoined Grant permanently and personally from future fraudulent conduct. He also received a 5-year suspended sentence, with 6 months residence in a halfway house, and 200 hours of community service. His company, Polymer Chemicals, Inc., was fined $10,000.

The new indictment charges that Grant continued his fraudulent conduct throughout the period up until at least September 1988. If convicted on all counts, he could face penalties totalling 77 years in prison and a $250,000 fine.

The charges against Grant resulted from a joint investigation by agents of the Defense Criminal Investigative Service and of the EPA OIG.

Sewage Plant False Test Results Lead to Indictment

John G. Mason of Raleigh, N.C., the contract operator for five wastewater treatment plants in Wake County, N.C., was indicted in January 1989 and charged with submitting false lab test results on effluent from the plants.

The information, submitted to the North Carolina Department of Natural Resources and Community Development, made it appear that the plants complied with the limits of a permit issued under the National Pollutant Discharge Elimination System (NPDES).

The Clean Water Act provides that no pollutants may be discharged into navigable waters of the United States except under conditions stated in an NPDES permit. The North Carolina Department of Natural Resources and Community Development administers the NPDES permit program in North Carolina as EPA's agent.

Impersonator of Federal Officer Sentenced

Alejandrino Ramos was convicted in December 1988 of mail fraud, impersonation of a Federal officer, and improper use of Government seals in a scheme to defraud Water Wise, Inc., of Leesburg, Florida, a supplier of water purification equipment and supplies, and the Federal Government. Ramos was sentenced to 14 months in prison, 24 months probation, and required to pay $1,077 restitution.

Doing business as National Environmental Protection Service of Lafayette, Louisiana, Ramos mailed an order to purchase some water distillation equipment from Water Wise for delivery on open account; in so doing, he represented himself as an agent of EPA. Later he told Water Wise that he would provide a General Services Administration purchase order number authorizing payment for the products by the U.S. Government. Based on these false representations, Water Wise shipped equipment and accessories valued at $1,077 to Ramos. In addition, Ramos further communicated with Water Wise using a personal business card and stationery bearing the seal of EPA.

Former Police Officer Sentenced for Fraud on EPA Project

Donna Amato, a former New Haven, Connecticut, police officer, was sentenced on January 31, 1989, after being convicted of making false claims for pay for traffic control work not actually performed on an EPA-funded sewage treatment improvement project in New Haven. Amato received a one-year suspended sentence and was fined $1,000. She was also ordered to perform 500 hours of community service over the 2 years of probation.

Two other New Haven police officers previously pled guilty to similar charges. The cases resulted from an investigation by the EPA OIG and the Internal Affairs Division of the New Haven Police Department.

Consulting Engineer on EPA Study Convicted of Fraud

Samar Chatterjee, president of Universal Engineering Services, Inc., and AES Engineers, Inc., was sentenced on February 6, 1989, after being convicted of conspiracy, mail fraud, and making false statements in connection with consulting work he did on the EPA-funded South Stickney Sanitary District, Burbank, Illinois, sewer rehabilitation study.

Chatterjee was sentenced to jail for 4 years, placed on probation for 5 years, and ordered to pay $110,000 in restitution to EPA and another $110,000 to the South Stickney Sanitary District.

Chatterjee had been charged with submitting false testing data concerning sanitary sewer connections, flow gauging, manhole inspections, and sewer survey reports to EPA and the Metropolitan Sewer District of Greater Chicago. In addition, Chatterjee received EPA grant funds of over $200,000 for work that he allegedly did not perform.

Chatterjee's case resulted from a 3-year investigation into allegations of financial fraud in the South Stickney Sanitary District. The investigation was conducted jointly by the EPA OIG, the EPA Office of Enforcement and Compliance Monitoring, and the FBI.

Description Of Selected Prosecutive And Administrative Actions Concerning EPA Employees

The OIG investigates and reports information, allegations, and indications of possible wrongdoing or misconduct by EPA employees and persons or firms acting in an official capacity directly with EPA or through its grantees. In addition, the Senate Report of the Supplemental Appropriations and Rescission Act of 1980 states that appropriate administrative action is expected to be taken in cases where employees have acted improperly.

Selected administrative actions taken against EPA employees as a result of OIG investigations are shown below.

Former Region 4 Employee Charged with Theft

A 9-year employee in Region 4 has been charged with theft of four EPA-owned calculators valued at $260. She subsequently pawned the machines. The employee was removed from her position in February. Further investigation revealed that she had been arrested by local law enforcement officers in December 1988 for alleged possession of narcotics and in March 1989 for alleged numerous bad check offenses. The investigation was a joint effort by EPA OIG and General Services Administration OIG.

Bus Pass Money Taken by Region 6 Employee

In November 1988 a Region 6 employee was sentenced to 3 years probation, 100 hours of community service, and was directed to enter a mental health program for keeping $8,000 due the Dallas Area Rapid Transit (DART) system for bus passes sold to EPA employees. For over 8 months, the employee received bus passes worth approximately $71,500 from DART for resale to EPA employees. The unsold passes (but no money) were returned to DART in March 1988, a month after the employee's resignation from EPA. The Assistant U.S. Attorney asked that restitution of the stolen money be part of the sentence, but the judge declined because the employee did not have any money. This investigation was a joint effort by EPA OIG and the Department of Transportation OIG.

Employee Reprimanded for False Statements

A Region 9 employee was reprimanded for knowingly submitting falsified income statements to obtain Housing Assistance Payments from the Department of Housing and Urban Development (HUD). The employee had provided false income and employment information to EPA employees, which was subsequently provided to HUD, so she could obtain payments. The reprimand followed the employee's guilty plea and sentence to 5 years probation and full restitution to HUD.

Civil And Administrative Actions To Recover EPA Funds

Investigations and audits of the Office of Inspector General provide the basis for civil and administrative actions to recover funds fraudulently obtained from EPA. Through the Inspector General Division of the Office of General Counsel, the OIG uses a variety of tools to obtain restitution. These include cooperative efforts with the Department of Justice in filing civil suits under the False Claims Act, as amended, and other authorities; working with grantees using their own civil litigation authorities; invoking the restitution provisions of the Victim and Witness Protection Act during criminal sentencing; using the Agency's authority to administratively offset future payments and to collect debts; and negotiating voluntary settlements providing for restitution in the context of suspension and debarment actions.

The tools available for recovering funds fraudulently obtained from the Agency have been enhanced by the enactment of the Program Fraud Civil Remedies Act. That statute provides an administrative remedy for smaller false claims and false statements in connection with claims. Through the Inspector General Division, the OIG provided leadership in the interagency effort to develop model regulations to implement the act.

EPA published its final rule implementing the act in April 1988, in 53 Federal Register 15182 (codified at 40 C.F.R. 27). With these regulations in place, we are now prepared to bring cases to EPA's administrative law judges for adjudication and recovery.

Civil and administrative actions to recover funds usually extend over several semiannual reporting periods. What follows is a brief description of the progress being made on several such matters.

EPA Wins $84,000 from Superfund Defrauders

On January 13, 1989, a Federal judge in Michigan ordered a corporation and three of its owner/officers to pay the United States $84,362 in a Superfund fraud case. The order was a response to a Department of Justice complaint, filed on behalf of EPA, seeking approximately $500,000 under the False Claims Act, as amended. The amount represented treble damages and civil penalties for false claims submitted to EPA under a contract.

An investigation by the OIG, initiated as a result of an audit, demonstrated that the Enmanco Corporation and three of its owner/officers, James Barnum, Gary Domanski, and Daniel Toy, had submitted false payroll costs, manifests, and invoices during the 1982-83 Superfund cleanup of the Liquid Disposal, Inc., hazardous waste site. During the investigation, haulers admitted driving only half-full trucks that Enmanco had manifested as full, and a waste disposal firm admitted paying Enmanco a $25,041 kickback for receiving its business. The defendants pleaded guilty to one count of conspiring to defraud the Government with respect to claims and paid criminal penalties, served jail time, and made restitution of $32,181 under the Victim and Witness Protection Act.

Appeal Denied in Atlanta Area Claim

The Government's position in a case to recover damages for bidrigging has been strengthened by a recent court decision upholding the defendants' convictions.

EPA filed a complaint on April 13, 1988, against Paxson Electric Company, Dynalectric Company, Fischbach & Moore, Inc., G.W. Walther Ewalt, and Wesley C. Paxson, Sr., for triple damages and civil penalties under the False Claims Act, as amended, and for damages under common law. The United States seeks to recover its damages, estimated at $1.3 million, which may be tripled under the Act, plus up to $10,000 in civil penalties for each false claim submitted. These defendants were previously indicted for, among other things, conspiracy to rig the bids on the electrical portion of the EPA-funded Snapfinger Creek Wastewater Treatment Plant in DeKalb County, Georgia. Fischbach & Moore pled guilty to the charges. The remaining defendants were tried and convicted. They then appealed to the 11th Circuit Court of Appeals, which recently affirmed the convictions.

EPA Seeks to Debar Acquitted Contractor

A Federal judge in Philadelphia has authorized EPA to proceed with a debarment action against a contractor although the contractor has been acquitted of charges on which the debarment was based. EPA's action against B.E.S. Environmental Specialists, Inc., and its founder, Richard Baranowski, is apparently the first time that a civilian Federal agency has initiated debarment proceedings in the wake of an acquittal.

B.E.S. and Baranowksi were acquitted in 1987 of defrauding EPA on a Superfund contract for cleaning up the Brown's Battery site near Lancaster, Pennsylvania. Nevertheless, the Office of Inspector General maintained that the transcript of the criminal case showed that B.E.S. had defrauded EPA.

On September 29, 1988, EPA initiated the debarment action, raising three allegations. First, the Agency charged that B.E.S. and Baranowski had defrauded EPA on the Brown's Battery project, citing the record from the criminal trial. Second, it alleged that Baranowksi had given an EPA on-scene coordinator gratuities: free construction work on his home and an expense-paid Canadian vacation. Finally, EPA charged that B.E.S. had refused to submit to an audit, breaching its contracts. In light of the evidence of overcharges from the criminal trial, the Office of Audit had sought to audit several B.E.S. projects. When B.E.S. resisted, the Inspector General subpoenaed B.E.S.' cost records.

B.E.S. asked for a preliminary injunction against both the debarment action and the subpoena in Federal district court in Philadelphia. On November 23, 1988, Judge Marvin Katz denied B.E.S.' motion. He found that the failure of the Government to prove its criminal case beyond a reasonable doubt did not preclude EPA from seeking a debarment under a standard based on preponderance of the evidence. He also ruled that EPA's debarment procedures satisfy all due process requirements. The court ordered B.E.S. to produce the subpoenaed documents within 15 days.

EPA held an administrative debarment hearing in early February 1989. A decision is expected soon. In the meantime, B.E.S. has been suspended from receiving EPA contracts.

Section 4—Fraud Prevention and Resource Management Improvements

This section describes several activities of the Office of Inspector General to promote economy and efficiency and to prevent and detect fraud, waste, and abuse in the administration of EPA programs and operations. This section includes information required by statute, recommended by Senate report, or deemed appropriate by the Inspector General.

Review of Legislation and Regulations

Section 4(a)(2) of the Inspector General Act of 1978 specifies that it is the duty and responsibility of the Office of Inspector General to review existing and proposed legislation and regulations relating to programs and operations concerning their impact on economy and efficiency or the prevention and detection of fraud and abuse. We reviewed 56 items this semiannual reporting period, 24 legislative and 32 regulatory. The most significant items reviewed are summarized below.

Inspector General Act Amendments of 1988

Former President Reagan signed the legislation known as the Inspector General Act Amendments of 1988, Public Law 100-504, on October 18, 1988. The amendments create new statutory IGs, appointed by the President, at the Departments of Justice and Treasury, the Federal Emergency Management Agency, the Nuclear Regulatory Commission, the Office of Personnel Management, and the Government Printing Office. The law also creates OIGs at 33 smaller Federal agencies, with Inspectors General to be appointed by the agency head. Other features include separate budget appropriations for OIGs, oath administration authority, uniform salaries for inspectors general, and clarification of the IGs' authority to fill Senior Executive Service positions.

A major provision of the amendments changes reporting definitions for the OIG and requires Agency management to report semiannually to Congress on its response to OIG findings. A detailed description follows:

New reporting requirements for offices of inspectors general:

Questioned Costs

A. Number of previously issued reports with questioned costs pending management decision at start of period, and the dollar amount of total questioned costs, as well as unsupported costs.

B. Number of new reports issued during period with questioned costs, and the dollar amount of total questioned costs, as well as unsupported costs.

C. Number of reports with recommendations for which management decisions were made during reporting period, including totals of costs disallowed by management and not disallowed by management.

D. Number of reports for which no management decision has been made within 6 months after the date the report was issued, including the dollar amount of total questioned and unsupported costs.

Recommendations That Funds Be Put To Better Use

A. Number of previously issued reports with recommendations that funds be put to use where no management decision has been made by start of period.

B. Number of reports containing such recommendations that were issued during reporting period, including the dollar amount of such recommendations.

C. Number of reports that were decided by management during the period, and the dollar amount, in two categories: (1) agreed to by management and (2) not agreed to by management.

D. Number of reports pending action at end of period, and the dollar value of recommendations.

E. Number of reports for which no management decision has been made within 6 months after the date the report was issued, and the dollar value of recommendations.

Definitions (IG Act Amendments of 1988)

Questioned cost—a cost questioned by the IG because of:

- an alleged violation of law, regulation, contract, grant, agreement, or document governing the expenditure of funds (ineligible costs).
- a finding that such cost is not supported by adequate documentation (unsupported costs).
- a finding that the expenditure for the intended purpose is unnecessary or unreasonable.

Unsupported cost—a cost questioned by the IG because it is not supported by adequate documentation.

Disallowed cost—a questioned cost that management, in a management decision, has sustained or agreed should not be charged to the Government.

Recommendation that funds be put to better use—a recommendation by the IG that funds could be used more efficiently if management implemented and completed the recommendation by reductions in outlays; deobligation of funds; withdrawal of interest subsidy costs on loans, guarantees, insurance, or bond; not incurring costs by implementing recommendations related to the operation of the Agency, contractor, or grantee; avoiding unnecessary expenditures noted in preaward reviews of contract or grant agreements; or taking specifically identified actions.

New reporting requirements by management:

Disallowed Costs

A. The number of reports and their dollar value where final action was not taken by the start of reporting period.

B. Where a management decision has been made during the reporting period, the number of reports and their dollar value in two categories: (1) disallowed costs recovered and (2) disallowed costs written off.

C. Number of reports and dollar value on which final action was not taken by the end of the reporting period.

Recommendations That Funds Be Put to Better Use

A. Number of reports and their dollar value on which (1) final action had not been taken by start of reporting period and (2) a management decision was made during the reporting period.

B. Where final action was taken during the reporting period: (1) the number of reports and the dollar amount of recommendations that were completed and (2) the number of reports and the dollar amount of recommendations that management subsequently concluded should not or could not be implemented.

C. The number of reports and their dollar amount of recommendations on which no final action has been taken by the end of the reporting period.

Reports Over a Year Old Where a Management Decision Has Been Made but Final Action Has Not Been Taken

A. title
B. date issued
C. dollar value of disallowed costs
D. dollar value of recommendations that funds be put to better use (agreed to by Management)
E. explanation why final action was not taken

Major Fraud Act of 1988

Signed into law on November 19, 1988, the Major Fraud Act, Public Law 100-700, amends Title 18 of the U.S. Code and creates a new crime of intent to defraud the Government on contracts of $1 million or more. The fine for conviction is not more than $1 million or not more than 10 years imprisonment, or both. The fine may be increased to $5 million if the gross loss to the Government or gross gain to the defendant is $500,000 or more, or the offense involves conscious or reckless risk of serious personal injury. There is a cap of $10 million on the fine for a single defendant in a multiple count-prosecution, and a 7 year statute of limitations.

Federal Employees Liability Reform and Tort Compensation Act of 1988

We supported the intent of this legislation, which was signed into law (Public Law 100-694) by former President Reagan on November 18, 1988. A Supreme Court decision (Westfall v. Ervin) severely restricted the scope of the judicially created doctrine of common law immunity for Federal employees. We believe that this legislation will provide a proper balance between a Federal worker's right to protection from personal liability for common law torts committed within his/her scope of employment, and the right of a victim of these torts to appropriate compensation from the United States.

Computer Matching and Privacy Protection Act of 1988

The Computer Matching and Privacy Protection Act, Public Law 100-503, is intended to ensure privacy, integrity, and verification of data disclosed for computer matching. The act requires written agreements between the source and recipient agencies stating the purpose, legal authority, justification and including a cost benefit analysis of each proposed match. Copies of each agreement must be sent to Congress and the Office of Management and Budget (OMB) and published in the Federal Register. Also, each Agency conducting or participating in a matching program must establish a Data Integrity Board to review proposed matching programs and prepare an annual report to OMB. The Inspector General of each agency will be a member of the Board, but may not serve as chairman. If the Board disapproves a match proposed by the IG, the IG may report the disapproval to the head of the agency and to Congress.

Independent Defense Department Inspector General Act

We concurred with virtually all the other IGs that this proposal (H.R. 102), which would make the DOD IG a separate agency, is unnecessary and would probably prove to be unproductive for several reasons:

— the IGs have operated successfully under the IG Act of 1978, as part of each agency, for over 10 years without compromising their objectivity, impartiality, or independence. There appear to be no documented reasons to alter the relationship thus established.

— one of the great strengths of the IGs is gained because they are an integral part of their agencies. The IGs became part of top management with all the access to information that accompanies such a position. The IG's employees are agency employees and are not regarded as outsiders by the rest of the agency. Accordingly, they are able to acquire inside information and programmatic skills that would be otherwise unavailable.

— duplicative and costly efforts by the separate IG and the agency would result. If the IG is removed from top management, the head of an agency almost surely will create another internal unit to do some similar work.

— of overall concern is the concept embodied in this bill that an outside force, if endowed with sufficient power, can force an agency to do the right thing. Our experience is otherwise. All IGs have found that working cooperatively, albeit independently, within an agency is the way to get things done.

Related to the issue of IG independence was a recent court decision. The Third Circuit Court of Appeals, in DCIS, DOD v. Federal Labor Relations Authority, ruled that the DOD IG was a representative of the agency, entitling Federal employees to the presence of a union representative when being questioned about a matter that could lead to the imposition of disciplinary sanctions. A survey of the IGs reached the conclusion that, at this point, a legislative remedy was not necessary, noting that only one circuit has ruled definitively on this issue. Accordingly, it is not yet clear that the law is so settled that OMB and the Congress would be amenable to a legislative change. The PCIE Legislation Committee recommends that IGs continue to vigorously defend the proposition that they are not representatives of the agency because of their independent authority to audit and investigate under the IG Act.

Inspector General Awards Act

We joined with most of the other IGs in supporting this legislation, H.R. 4574, which would amend Title 5, U.S. Code, with respect to certain programs under which awards may be made for superior accomplishments or cost savings disclosures. There is a consensus among the IGs that there will be occasions when such an award will be both deserved and appropriate, even if the number of opportunities to use authority may not be significant. The publicity surrounding such an award may encourage other employees. We did suggest that the legislation be revised to make OIG employees ineligible for the award since reporting fraud, waste, and mismanagement is an inherent part of their jobs.

Administrative Conference Act

We commented on an OMB proposal to amend the Administrative Conference Act. The amendment stated that any agency proposing to enter into a contract with a person outside the agency to study the efficiency, adequacy and fairness of an agency proceeding must first consult with the chairman of the Administrative Conference to determine whether the study would be more appropriately undertaken by the Conference. We did not concur with this proposal, which we believe could delay contracted studies. We suggested that consultation with the Chairman be suggested rather than mandatory, or that a dollar threshold be established for mandatory consultation.

EPA Personal Property Management Policy

We commented on a proposed EPA policy on personal property management. The Agency reported this item to OMB in 1988 as a material weakness under the Federal Managers Financial Integrity Act. We suggested several changes: that the same individual should not perform both the physical inventory and the reconciliation of records; that the appointing official for the positions of property administrator and contract property administrator be clearly identified; that software accountability be addressed; and that accountability for property under other trust funds, such as that for leaking underground storage tanks, also be addressed. We also clarified statements in the policy on audits, noting that the EPA OIG rarely audits interagency agreements. These audits are normally done by other IG organizations which have responsibility according to the Single Audit Act. We noted that requests for audits of specific interagency agreements can be made through the OIG.

EPA Information Security Manual for Personal Computers

We had several comments on an Agency security manual for personal computers. We recommended that the Agency establish procedures for removing personal computers from EPA buildings for official use; prohibit the installation of privately owned software on EPA computers to preclude the possibility of sabotage ("viruses"); clarify the degree of sensitivity of those positions dealing with computers; and ensure that personnel leaving the Agency no longer have access to ADP systems.

Suspension And Debarment Activities

EPA's policy is to do business only with contractors and grantees who are honest and responsible. EPA enforces this policy by suspending or debarring contractors or grantees who have acted improperly, have a history of substandard work, or have willfully failed to perform on contracts funded by EPA (or in some cases contracts that are funded by other Federal agencies). The convicted felon is by far the most frequent subject of an EPA debarment. Suspensions, debarments, and voluntary exclusions deny participation in Agency programs and activities to those who represent a risk of cheating the Government. Such actions aid in preventing our tax dollars from being given to dishonest or nonresponsible contractors and grantees.

The effectiveness of the suspension and debarment (S&D) program has been enhanced by new regulations that provide all Federal agencies a uniform system for debarring contractors from receiving work funded by Federal grants, loans, or cooperative agreements. The new system, required by Executive Order 12549, was implemented on October 1, 1988.

The new system provides that a nonprocurement debarment or suspension by one agency is effective in all and requires the GSA to publish monthly a "List of Parties Excluded from Federal Procurement or Nonprocurement Programs." Formerly, a nonprocurement debarment was effective only in the programs administered by the debarring agency, and each agency maintained its own list.

The EPA Grants Administration Division operates the S&D program at EPA. The OIG conducts audits, investigations, and engineering studies; obtains documents; and provides information and evidence used in determining whether there is a cause for suspension or debarment.

The OIG identifies situations where the need for suspension or debarment is indicated and makes referrals to Agency S&D action offices. This requires frequent reviews and analyses of several systems of records, both EPA records and those of other agencies. To expedite this process, we established a computerized matching program that will compare thousands of records in a very short time and identify same or similar names. This process allows us to review large volumes of records with minimal resources and extract meaningful information for suspension/debarment, investigative, or audit purposes.

The OIG will soon be issuing instructions (an OIG Manual chapter) to Headquarters and field offices that cover recent changes in the S&D system. The OIG Manual chapter and training course will provide a better understanding of the S&D program and will result in greater use of the S&D remedy.

Summary of Suspension and Debarment Activities

EPA is aggressively seeking debarment and suspension of dishonest and nonresponsible contractors and grantees. The following is a summary of S&D actions taken during this reporting period.

	October 1, 1988 to March 31, 1989
CASES OPEN AT BEGINNING OF PERIOD	271
CASES OPENED DURING PERIOD	82
CASES COMPLETED	
Debarments	31
Voluntary Exclusions	3
Settlements	17
Closed after Investigation	22
Subtotal	73
Total	280

	Active cases as of March 31, 1989
Under Investigation	38
Under Program or Counsel Review	208
Proposed for Debarment	7
Suspended or Suspended and Proposed for Debarment	27
Total	280

The following are several examples:

- Paxson Electric Company of Jacksonville, Florida, was debarred for two and one-half years on November 7, 1988. Also debarred for the same period was Wesley C. Paxson, Sr., president of the firm. The company and Mr. Paxson had been convicted of bidrigging and mail fraud resulting from their participation in a conspiracy to submit collusive, complementary and rigged bids for electrical work at the EPA-funded Snapfinger Creek Waste Water Treatment Plant in DeKalb County, Georgia.
- Denver Sanitary Company of Denver, Colorado, accepted a voluntary exclusion for 20 months on January 17, 1989, after being convicted of making false statements, transporting hazardous waste to an unpermitted facility, and illegally storing hazardous waste. Donald C. Hughes, operations supervisor of the company's hazardous waste division, Frank R. Giardino, the company's vice president and chief operating officer, and Andrew Fedorowicz were debarred after being convicted as accessories to illegal transportation of hazardous waste to an unpermitted facility, illegal storage of hazardous waste, and making a false statement on a hazardous waste manifest.
- Arnold N. Graham of Kansas City, Missouri, was debarred for 3 years on October 13, 1988 after being convicted for conspiring to use the mails in connection with a scheme to defraud and for obtaining money by false pretenses. The violations were in connection with the operation of a wastewater treatment plant and the preparation of documents containing falsified EPA test data.
- Charles R. Barron of Slidell, Louisiana, was debarred for 3 years on October 13, 1988, following his conviction for bidrigging in connection with

dredging contracts with the U.S. Army Corps of Engineers. By agreement with EPA, the remainder of Barron's debarment period was changed to a voluntary exclusion beginning February 13, 1989.

- George W. Shearer of San Diego, California, was debarred for 2 years on December 23, 1989, based on his conviction for making and using false documents in connection with a scheme to illegally export hazardous wastes from the United States for unlawful disposal at a site in Mexico.
- Fred O. Uhle of Valley Park, Missouri, was debarred for 8 months on November 2, 1988, after being convicted for making false declarations before a grand jury concerning bidrigging activities in the electrical construction industry.
- Meade Electric Company, Inc., of Hammond, Indiana, and Joseph P. Condon, a branch manager for the company, voluntarily excluded themselves for 9 months on November 2, 1988, following their conviction for bidrigging in the electrical construction industry.

CORRECTION

Three debarred electrical inspectors, Julius Mastriana, Thomas DiMicelli, and Eugene Riccardelli, were incorrectly identified as EPA electrical inspectors in the semiannual report for the period ending September 30, 1988. The inspectors were employees of New York City. The OIG regrets this error.

Employee And Public Awareness

A continuing priority of the Office of Inspector General is to enhance public awareness of its presence among EPA employees, grantees, firms participating in EPA programs, and the public. In this process, we are trying to make these groups aware of their responsibility to prevent, detect, and report instances of fraud, waste, and abuse. We have found that while most EPA employees, grantees, and contractors are conscientious about the economy, efficiency, and effectiveness of their work, they have little knowledge about the Office of Inspector General. We have also found that while many Agency employees and managers are concerned about the possibility of fraud and abuse in EPA and sincerely want to learn how to detect or prevent it, several others appear naive to its existence or even reject the possibility of it happening. Although they may not be in violation of law, employees who maintain anything but a strictly arm's-length relation with any contractor, and any contractor that performs with anything less than good faith, represent a risk to the integrity of the competitive procurement process and what EPA gets for its money. We believe that EPA employees are in the best position to detect, prevent, and report fraud, waste, and abuse if they can recognize it.

We have used a variety of media to provide information and encourage participation by specific segments of the concerned population in recognizing and reporting conditions or actions that threaten EPA's resources or mission. OIG-developed publications, videotapes, presentations, and training help prepare EPA project or program managers and employees to identify and report suspected indicators of fraud that otherwise may have gone unnoticed.

Semiannual Reports

Over 1,500 copies of each semiannual report to Congress is distributed to members of Congress on EPA-related committees, top EPA managers, news media (including wire services), State agencies administering EPA programs, State attorneys general, citizens (by request), EPA libraries, and selected environmental groups.

Presentations to Management and Associations

The Inspector General, Acting Deputy Inspector General, and other OIG managers have participated in a vigorous schedule of presentations and briefings to EPA managers in Headquarters and the field. Also, presentations have been made to grantees, professional and governmental associations, State and local government officials, and educational institutions.

IG Testifies Before Congress

On February 23, 1989, the Inspector General testified before the Subcommittee on Human Resources of the House Post Office and Civil Service Committee. The IG discussed three audit reports which focused on the Agency's contracting policies and administration. The first two audits dealt with the Superfund program, while the last dealt with contracting activities supporting the Resource Conservation and Recovery Act program. The IG testified that the audits conducted showed a need for greater Agency oversight of contractors. Major problem areas included (1) the use of highly qualified contractor technical personnel to perform routine administrative and clerical work; (2) the use of contractor personnel for personal services; (3) award fees that were overgenerous and awarded for deficient work; (4) EPA technical personnel directing contractors to perform work before it was properly ordered or funded; and (5) subcontractors were not being procured in accordance with Federal regulations. The IG concluded his testimony by stating we will continue to perform audits of contracting policies and administration and to work with Agency management to ensure that we are getting the best return on our contract dollars.

Presentation at Superfund Conference

OIG representatives participated in and moderated a panel discussion at a national conference on Superfund interagency agreements and cooperative agreements. The panel was comprised representatives from the OIG community whose agencies receive millions of dollars in Superfund monies to carry out the activities the agencies are either mandated to perform or are requested to do by EPA. The panel included representatives from EPA, Army Audit Agency, Federal Emergency Management Agency, and the Departments of Transportation, Energy, and Health and Human Services. The objective of the panel discussion was to increase awareness of the OIGs' audit requirements mandated by Congress and to inform the participants of how the other Federal agencies are managing and controlling the use of the Superfund Trust Fund.

Articles and Publications

We have been working with several professional associations to develop publications and articles which have a wide audience in the areas of environmental protection, auditing, government financial management, and law enforcement. We have also continued to develop and publish articles for EPA

managers and employees by working with the EPA Office of Public Affairs. In addition, numerous articles have been published by newspapers nationwide concerning the results of our most significant audits and investigations.

Presentation of Fraud Detection Awareness Course to Agency Managers

This semiannual period we gave several presentations of our in-house developed awareness course entitled "Detecting and Preventing Fraud in EPA." This course was developed for presentation to independent public accountants who perform audits for the OIG on a contract basis; the course was designed to increase their awareness of and ability to detect and refer indicators of fraud to our Office of Investigations. However, the course has also been designed for presentation to a variety of audiences concerned with the ability to detect and prevent fraud in EPA operations, projects, and contracts. During this semiannual period we presented the course twice through the EPA Institute. We will continue presenting this course through the EPA Institute and by request when possible.

Personnel Security Program

The personnel security program is one of the Agency's first-line defenses against fraud, using background and National Agency Check and Inquiries investigations to review the integrity of EPA employees and contractors.

During this semiannual reporting period, the Personnel Security Staff reviewed 229 investigations. The following conditions were identified and administrative actions taken:

- Two employees received 7-day suspensions, one for numerous arrests and convictions while employed in a sensitive position, the other for falsification by not listing a conviction for possession of controlled substances on a SF-171 used when applying for a promotion.
- Two employees were terminated during their probationary periods, one for unprofessional conduct, the other for materially falsifying the SF-171.
- Two contract employees had to submit corrected SF-86s to reflect previous convictions for misdemeanors.
- Two employees were required to submit corrected SF-171s for failure to list previous misdemeanors and convictions.

We continue working closely with Agency program officials on the implementation of the OPM regulations regarding position sensitivity designations and granting of clearances.

We are also entering information into an operational computer system which provides management reports on the status of ongoing investigations. It also provides reports on those investigations which need updating.

President's Council on Integrity and Efficiency

President Reagan established the President's Council on Integrity and Efficiency (PCIE) by Executive order in March 1981 to attack waste and fraud and improve management in the Federal Government. The PCIE coordinates interagency activities, addressing common issues and developing approaches and techniques to strengthen the effectiveness of the entire Inspector General community. Headed by the Deputy Director, Office of Management and Budget, PCIE members include the Inspectors General and other key Federal officials.

John C. Martin is the chair of the Administration, Inspections, and Special Reviews Committee, one of the PCIE's standing committees. The standing committees are the means the PCIE uses to get its work accomplished. Mr. Martin's committee, as reorganized in February 1988, incorporates activities of the former Prevention Committee, Inspections and Special Reviews Committee, Training Committee, and the Standards Committee. The functions of the committee are to:

- Serve as the focus to promote good administrative practices within the IG community;
- Facilitate an effective training function within IG offices and serve as focal point for training and career development within the IG community;
- Revise and amend the published quality standards for Office of Inspector General investigations;
- Provide a focal point for issues developed from the Committee's special reviews, contribute to a common understanding of these issues, and promote development of shared IG positions on such issues;
- Serve as a repository of interagency data obtained from surveys conducted by Offices of Inspector General; and
- Increase the sensitivity of Federal personnel and external groups to waste, fraud, and abuse by using effective communication techniques to promote awareness of Council activities and initiatives.

Two subcommittees, the Training Subcommittee and the Communications Subcommittee, carry out projects in their assigned areas. The Training Subcommittee promotes standardized training and encourages career development throughout the IG community through its permanent work groups on auditor training, investigator training, support activities, and executive development. The Communications Subcommittee advances PCIE goals by publishing compendiums of PCIE publications; providing speakers to discuss fraud, waste, abuse, and mismanagement topics; and promoting a national awareness campaign by use of publications to foster governmental economy and efficiency.

EPA OIG staff participate as members of the Legislation, Computer, Coordination, and Integrity and Law Enforcement Committees. Members of our staff represent the OIG on the Training and Communications Subcommittees and chair the Support Activities Training work group.

Three Inspectors General, John Martin of EPA, James Richards of Interior, and Richard Kusserow of HHS, were recently appointed to the National Advisory Commission on Law Enforcement. This commission, chaired by Charles Bowsher, Comptroller General of the United States, is concerned with issues affecting the administration and

coordination of law enforcement efforts throughout the country.

Staff of the EPA Office of Inspector General participated in or led a number of Committee special reviews during this semiannual reporting period. Some of these special reviews conducted during this reporting period are summarized below.

Committee Survey on Ethics Violations

A survey of 700 ethics cases investigated by Inspectors General provided a sample of 182 cases which were categorized to provide an overview of the types of government ethics violations. The majority of the cases fell into four categories:

- Improper use of government property-28 percent
- Conflict of interest-20 percent
- Using public office for private gain-15 percent and
- General conduct prejudicial to the government-14 percent

Results of the survey were provided to the Presidential Commission on Ethics Law Reform.

Employee Exchange Program Best Handled on an Ad Hoc Basis

The Administration, Inspections, and Special Reviews Committee conducted a survey of the PCIE to determine if members would be in favor of an employee exchange/loan program. Such a program might be useful to fulfill the increased responsibilities of the IG Act amendments in that IGs with personnel on their staffs with specialized knowledge could help other IGs with particular aspects of their operations. The second part of the survey dealt with ensuring broad distribution of OIG vacancy announcements.

The consensus of the PCIE was that informal consultation between OIG staffs appeared to be working well as a way to share information, and when detailing staff to another OIG was necessary, arrangements were best worked out between the two IGs involved. On the issue of distribution of vacancy announcements, we provided the results of our survey to the IG Personnel Officer/Representative Conference for discussion and implementation of a vacancy announcement distribution system.

Computer System Identifies Illegal Aliens

On December 14, 1988, the EPA OIG sponsored a demonstration for PCIE members on how OIGs can access a data system which identifies illegal aliens. The presentation was conducted by Neville Cramer, Deputy Assistant Commissioner, Employer Labor Relations, Immigration and Naturalization Service. This data system could be particularly useful to OIGs in agencies which administer entitlement programs or agencies that award grants and contracts where illegal aliens may be part of the work force.

Training Officers Study Computer-Based Training, More Cooperation

In addition to these reviews, the Support Activities Working Group, chaired by EPA, sponsored two meetings of the OIG training officers, now organized as the PCIE Training Officers Forum. The first, in November, featured a presentation by a representative from the office of the Comptroller of the Currency, who demonstrated a computer-based program used to train entry level bank examiners. The training officers examined the concept in relation to common training needs. In February, the training officers heard a presentation by William Broadus of the General Accounting Office on implementation of the increased continuing professional education requirements for Federal employees involved in auditing activities. Presentations were also given by a representative of GSA concerning training for OIG personnel answering "Hotline" calls; a representative of the Interagency Auditor Training Program (IATP), who spoke on expanded course offerings; and the dean of the EPA Institute. The EPA Institute is a vehicle which allows EPA employees to share their knowledge and experience at minimum or no cost. The training officers are considering the establishment of an IG Institute, which would facilitate sharing within the IG community of courses developed by individual IG organizations.

The training officers are also working to identify their fiscal 1989 and fiscal 1990 common course training needs in the regional locations. Working closely with IATP, which would present the courses, they hope to reduce training travel costs by offering common core classes in the regional cities. The increased continuing professional education requirements in the revised GAO "yellow book" are the impetus for this effort to maximize the dollars provided for training of OIG personnel.

Freedom of Information Act Session Held

The Support Activities Working Group also sponsored a seminar in December for 30 OIG personnel who handle Freedom of Information Act requests. Conducted by representatives of the Department of Justice's Office of Information and Privacy, the session examined the effects of 1986 changes in the law and recent court decisions. Fees, fee waivers, and the law enforcement exemption under FOIA were also discussed.

Committee On Integrity And Management Improvement

The Committee on Integrity and Management Improvement (CIMI) was established in 1984 by EPA Order 1130.1. The purpose of CIMI is to coordinate the Agency's effort to minimize the opportunities for fraud, waste, and mismanagement in EPA programs and to advise the Administrator on policies to improve the efficiency and effectiveness of EPA programs and activities. The Committee is chaired by the Inspector General. The following examples describe projects completed during this reporting period.

Awareness Bulletin on the Disposition of Official Records and Personal Papers

Official EPA records are Government property and may not be disposed of except in accordance with EPA records control schedules. These schedules contain authorized retention periods and instructions for the disposition of official Agency records which have been approved by the U.S. Archivist, National Archives and Records Administration. CIMI believed that many EPA employees were unaware of which records they could keep and which records belong to EPA. As a result, CIMI developed an awareness bulletin to summarize the requirements concerning the maintenance and disposition of official Agency records. Employees transferring to other EPA organizations or leaving the Agency were reminded that the documents they have accumulated — except for personal papers—belong to the Agency. This requirement

includes records maintained in private offices as well as those filed centrally. Employees were also advised that criminal penalties are provided for the willful and unlawful destruction, removal from file, or private use of Federal records.

Poster Campaign

As stated in our last semiannual report, CIMI developed a pamphlet entitled "Ethics in a Nutshell." It is a brief explanation of the conflict-of-interest statutes and EPA ethical standards. The question-and-answer format is designed to anticipate and answer some of the more common concerns facing Federal employees. In an effort to promote employee interest in reading this pamphlet, CIMI developed two posters in a planned series of posters designed to raise employee awareness of ethics. A question-and-answer format was used which required employees to refer to the pamphlet to obtain the answer to the question. To increase the effectiveness of the poster campaign, only practical questions relevant to current issues were utilized. The posters are on display at Headquarters and all regional offices.

Hotline Activities

The OIG Hotline Center received 46 new complaints and completed and closed 35 cases during the reporting period. Of the 35 cases closed, 8 cases resulted in environmental, prosecutive, or administrative corrective action, while 27 were not valid and did not require action. Cases that did not have immediate validity due to insufficient information may be used to identify trends or patterns of potentially vulnerable areas for future review. The hotline also received 625 telephone calls where callers were referred to the appropriate program office, State agency, or other Federal agency for assistance.

The following are examples of corrective action taken as a result of information provided to the OIG Hotline Center.

- A complaint alleged that an EPA manager used Government materials and employees to perform work at his home on government time. A review of the complaint disclosed that the manager used government employees to perform repairs and maintenance on his home on three occasions. In addition, a government employee and government materials were used to construct a personal item for the manager on government time. As a result of this misuse of government personnel and property, the manager's employment with EPA was terminated.

- A complaint alleged that an EPA employee attempted to use Government mail services (EPA mail room) for private use. A review of the complaint disclosed that the employee tried to use express mail to ship personal documents out of state at Government expense. As result of this misconduct, the employee was counseled and action was taken to prevent the attempted misuse of Government mail services from recurring.

Professional And Organizational Development

During this semiannual period, the EPA OIG has continued to expand on initiatives started during fiscal 1988 while beginning new ones to improve our organizational skills, relationships, efficiency, and effectiveness. Areas of the greatest activity include the development and presentation of several technical and management courses by our staff, leadership in professional associations, projects of our Human Resources Council, publication and distribution of our own training catalog, and organization wide training on self-awareness and organizational culture. For this semiannual period, we approved 365 training enrollments for a total of 1,215 days of training and participation in professional development seminars and conferences.

OIG Developed Courses

- *Detection and Prevention of Fraud*

This course was developed to prepare independent public accountants doing work for the EPA OIG to detect and refer possible instances of fraud to the OIG for criminal investigation. We prepared staff members in each divisional office to present this course in their own geographical locations. During this semiannual period, we presented the course twice through the EPA Institute and in our Western Audit Division to members of our staff, auditors from the California State Comptroller's office, and independent public accountants performing audit work for the OIG. We will continue presenting this course through the EPA Institute and to independent public accountants throughout the country during the remainder of fiscal 1989.

- *Effective Briefing Techniques*

This course is designed to prepare auditors, investigators, and managers to give effective and persuasive presentations, deal with confrontational situations, and improve OIG/client relations. This course includes sections on effective oral communication, visual imagery, confrontational management, and a video

workshop. This course stresses the importance of (1) teamwork between OIG employees and Agency management and (2) creating a strong and credible image of OIG staff members and work products.

- ***Auditing Superfund Activities Orientation***

During this semiannual reporting period, we completed plans and materials for presentation of a course on auditing the Superfund. The development of this course, coordinated by the OIG training specialist, is a combined effort of all three primary components of the OIG, and is scheduled for a pilot presentation in late spring 1989.

OIG Training Activities

To help OIG supervisors identify and select appropriate development opportunities for their staff, we have updated the previously developed OIG Training and Development Sources Catalog. This catalog lists, describes, and provides schedules of over 75 courses that are included in the OIG computerized career profiles for auditors, investigators, and secretaries. The catalog includes profiles of required or suggested training for the OIG staff, and a description of the new General Accounting Office "yellow book" requirements for training. These new standards require anyone performing or managing Government audits to receive at least 80 hours of continuing professional training every 2 years, including at least 24 hours directly related to Government auditing. Also, at least 20 of the total 80 hours must be taken during any year. These requirements became effective beginning January 1, 1989.

Human Resources Council

The OIG Human Resources Council, composed of 16 OIG employees representing all grade levels and geographical locations, advises and assists the Inspector General in developing effective policies, strategies, and programs for employee development and work force management. The Council is chaired by the Acting Deputy Inspector General.

The fourth meeting of the OIG Human Resources Council was held December 13 and 14, 1988, in Arlington, Virginia. Council members first reviewed the HRC's significant accomplishments during 1988:

- an orientation session for new OIG employees, held at Headquarters March 30-31.
- training profiles for the OIG support staff.
- a workshop for OIG secretaries, held in Arlington, Virginia, December 6-8. Topics included career development, computer training, and travel regulations. Highlighting the workshop was a panel and discussions on secretarial initiatives to improve OIG operations.
- a list of recommended reference material for the OIG support staff. The material was circulated at the secretarial workshop.
- a proposal to make cash awards to OIG staff who pass professional certification exams. (After consideration by OIG management, the proposal was rejected.)
- a policy which allows ill or temporarily disabled employees who are expected eventually to return to full- or part-time work and who have used up their accumulated leave to work out of their homes. (This proposal was not approved by OIG management, who believes such decisions should be made on a case-by-case basis.)

The HRC then decided to focus its 1989 efforts in six areas:

- developing a proposal to hold OIG staff conferences.
- preparing an OIG brochure to aid in recruitment.
- exploring the possibility of creating investigative assistant and auditing assistant positions.
- developing a proposal for rotating clerical assignments within the OIG.
- examining the Agency's leave donation program to determine whether OIG employees are covered under the Headquarters or regional programs (or both) and to decide whether to initiate a separate OIG program.
- developing and instituting a pilot program in our Boston office for rewarding deserving employees in innovative ways.

Three projects initiated in 1988 will also be concluded:

- The HRC has developed a booklet which describes the physical exam, counseling, and fitness services available at Headquarters and each EPA region. The booklet was originally conceived as an informational document for OIG employees. However, recognizing the widespread interest in this information, we now plan to distribute the booklet to all EPA employees later this spring.
- The HRC has developed innovative proposals to enhance the OIG's recruitment efforts. The proposals are currently under review by OIG management.
- The HRC will complete a study of who is leaving the OIG—and why.

In the two previous semiannual reports, we discussed the OIG's initiation of a 5/4-9 compressed work schedule. The OIG was the first Headquarters organization to begin such a program, and in our last report we observed that many other offices were developing compressed work schedules of their own. We are pleased to report that nearly all EPA Headquarters offices have now either initiated compressed work schedules or plan to initiate such schedules in the near future. Preliminary surveys throughout Headquarters are showing a dramatic increase in morale with no negative impact on productivity or work quality. The OIG is proud to have been the vanguard in this important human resources movement.

Western Audit Chief Cited for Excellence in Management

Truman R. "Ron" Beeler, Divisional Inspector General for Audit, Western Division, San Francisco, received the Lee M. Thomas Award for Excellence in Management from William K. Reilly, EPA Administrator, in a ceremony March 21, 1989, at Constitution Hall in Washington, D.C. Beeler, one of 11 employees honored, was cited for having issued 400 audit reports in fiscal 1988, despite a reorganization in the geographically large division, which covers Regions 8, 9, and 10. Western Division had a record 84 percent of questioned costs in external cost audits sustained by the Agency during the fiscal year. This means that the Division was responsible for actual cost savings of $42 million.

In addition to Beeler's award, the staff of Western Division was also recognized as the most productive division within the Office of Audit and for the highest payoff from external audits.

EPA Administrator William K. Reilly, left, presents award to Truman R. Beeler, center, as Inspector General John C. Martin looks on. (Photo by Steve Delaney)

Section 5 — Delinquent Debts

The Supplemental Appropriations and Rescission Act of 1980 (Public Law 96-304) requires the Inspector General to report on EPA's delinquent debts and efforts to improve the collection of such debts.

Agencywide Accounts Receivalbe Activity

Claims Office Actions

When the Agency's Servicing Finance Offices (SFOs) determine that debts are uncollectible, they forward the debts to the EPA Claims Officer for disposition. The Claims Officer may compromise, terminate, or suspend further collection efforts on debts under $20,000. Debts over $20,000 generally must be forwarded to the Department of Justice or the General Accounting Office for approval of the final resolution of the debts. However, the Claims Officer need not immediately refer debts over $20,000 until all Agency collection actions have been taken.

As of March 31, 1989, the Claims Officer reported 27 accounts receivable valued at $2,221,079. For this reporting period, the Claims Officer:

- terminated four debts totaling $94,491 because of the debtors' inability to pay;
- referred two debts totaling $139,436 to the Department of Justice;
- waived $22,907 of interest on one debt because the interest accrued while a regional office resolved a substantive program issue;
- compromised a $12,870 debt for $2,000; and
- returned one debt for $72,503 to the Financial Management Division because the grant appeals process had not been completed.

The OIG did not verify the Claims Officer's figures.

Agency Collection Efforts

The Financial Management Division provided the following summary of EPA's collection efforts for October 1, 1988, through February 28, 1989. (Due to complications resulting from the implementation of the Integrated Financial Management System, the Financial Management Division did not provide data for March 1989.) Although the figures reflect the Agency's accounting records as of February 28, 1989, they were obtained before the closing process. Therefore these may not be the Agency's final figures. The OIG did not verify the amounts presented below.

Collections	$46,522,420
Amounts Written Off	78,260
Interest Assessed	1,098,240
Interest Collected	93,107

Accounts Receivable

Non-Federal	
90 days or less	$ 12,129,418
Over 90 days	89,143,577
Subtotal	101,272,995[1]
Interagency Agreements	2,991,817[2]
Total	$104,264,812

[1]Agency records show that 55 percent of this amount is receivables which are being appealed. Collection actions are suspended until the appeals process is complete.

[2]This amount is for debts owed EPA by other agencies. Although these debts do not have an impact on the U.S. Treasury, they do impact the Agency budget. Approximately 47 percent of the total in this category is over 90 days old.

Appendix — Audit Reports Issued

THE INSPECTOR GENERAL ACT REQUIRES THE IDENTIFICATION OF EACH AUDIT REPORT COMPLETED OR ISSUED BY THE OIG DURING THE REPORTING PERIOD. THE FOLLOWING LISTING CATEGORIZES AUDIT REPORTS BY TYPE AND REGION.

Audit Control Number	Auditee	Final Report Issued
1. INTERNAL & MANAGEMENT AUDITS		
E1SH*7-02-0216-9100213	SUPERFUND RCRA SAFETY - REGION 2	3/15/89
TOTAL OF REGION 02 = 1		
E1XMF8-05-0617-9100123	IMPREST FUND - REGION 5	12/22/88
E1H2D8-05-0293-9100164	NPDES PERMITS - REGION 5	1/20/89
E6AMP9-05-0138-9400017	WASTEFUL SPENDING - REGION 5	3/13/89
TOTAL OF REGION 05 = 3		
E1G2*7-09-0110-9100215	RCRA CONSENT AGREEMENT/FINAL ORDERS CONSOLIDATED REPORT	3/17/89
TOTAL OF REGION 09 = 1		
E1LMF9-11-0014-9100124	FMFIA FY 1988	12/23/88
E1K9*8-11-0029-9100148	GRAY MARKET VEHICLES	1/10/89
E1XM*8-11-0047-9100209	RCRA CONTRACT MONITORING	3/13/89
E1K6*8-11-0045-9100210	STATE AIR PLANS	3/13/89
E1BMF9-11-0013-9100219	CONSULTING SERVICES CONTRACTS	3/22/89
E1K2*8-11-0026-9100227	PM10 MONITORING PROGRAM	3/31/89
TOTAL OF HDQ - IAD AUDITS = 6		
E1HWG9-13-0018-9400024	EPA MONITORING AT DEEPWATER MUNICIPAL SLUDGE DUMP SITE	3/31/89
TOTAL OF HDQ - SR AUDITS = 1		
E1NWF8-15-0021-9100025	NCC ADABAS ENVIRONMENT SECURITY	10/20/88
E1NWF8-15-0021-9100192	PERMIT COMPLIANCE SYSTEM	2/15/89
TOTAL OF HDQ - ADP AUDITS = 2		
TOTAL INTERNAL & MANAGEMENT AUDITS = 14		
2. CONSTRUCTION GRANT AUDITS		
P2CW*6-01-0267-9100089	COLCHESTER CT	12/13/88
P2CW*8-01-0089-9100228	AUBURN SEWERAGE DISTRICT, ME	3/31/89
S2CW*7-01-0009-9100013	LANCASTER SEWER DISTRICT MA	10/13/88
S2CW*8-01-0218-9100039	BOSTON WATER &	10/26/88
S2CW*7-01-0013-9100060	NORTHBOROUGH MA	11/15/88
TOTAL OF REGION 01 = 5		
P2CW*7-02-0033-9100033	WATERTOWN NY	10/26/88
P2CW*7-02-0075-9100037	RENSSELAER CO NY	10/26/88
P2CW*7-02-0255-9100038	RENSSELAER CO NY	10/26/88
P2CW*7-02-0114-9100088	NASSAU CO NY	12/13/88
P2CW*7-02-0032-9100118	AMHERST NY	12/21/88
P2CW*6-02-0206-9100119	NASSAU COUNTY NY	12/21/88
P2CW*6-02-0056-9100146	RAMSEY NJ	1/10/89
P2CW*8-02-0077-9100225	NASSAU CO - FORCE ACCOUNTS NY	3/29/89
TOTAL OF REGION 02 = 8		
E2CW*8-03-0175-9100095	PHILADELPHIA CITY OF PA	12/13/88
E2AW*8-03-0200-9400005	PHILADELPHIA CITY OF PA	1/13/89
E2AW*8-03-0338-9400008	MOUNT HOPE WV	1/27/89
P2CW*7-03-0079-9100007	ALBION BOROUGH MUN AUTH PA	10/12/88
P2CW*7-03-0164-9100041	MONTGOMERY COUNTY PSD VA	10/28/88
P2CW*7-03-0242-9100062	ROANOKE CITY OF VA	11/15/88
P2CW*7-03-0081-9100079	WINDSOR TWP AUTHORITY PA	12/ 9/88
P2CW*7-03-0166-9100080	NORTHERN BLAIR SEWER PA	12/ 9/88
P2CW*7-03-0123-9100142	NEW CASTLE COUNTY DPW DE	1/5/89
P2CW*7-03-0143-9100143	BALTIMORE MAYOR & CTY COUN MD	1/6/89
P2CW*7-03-0109-9100144	DELAWARE CO REG WATER PA	1/6/89
P2CW*8-03-0060-9100205	OXFORD BOROUGH OF PA	3/7/89
P2CW*8-03-0095-9100222	WSSC MD	3/23/89
P2CW*7-03-0207-9100224	MARSHALL TWP MUN AUTH PA	3/29/89
TOTAL OF REGION 03 = 14		
E2CWL8-04-0080-9100134	FT MYERS FL	12/29/88
E2CWM8-04-0137-9200005	GREENVILLE WCRSA SC	12/13/88
E2CWN8-04-0042-9300003	ORANGE CO FL	10/24/88
P2CWN5-04-0306-9300011	KNOXVILLE TN	11/28/88
P2CWN8-04-0189-9300021	DURHAM NC	2/15/89
P2CWN7-04-0130-9300029	WINSTON SALEM CITY CO UTIL NC	3/14/89
P2CWN8-04-0060-9300031	PRINCETON KY	3/16/89
S2CW*7-04-0222-9100015	MOSHEIM TN	10/18/88
S2CWN6-04-0302-9300030	MILLINGTON TN	3/16/89
TOTAL OF REGION 04 = 9		
D2DWL9-05-0020-9100001	GRANGER ENG FY 78-87 MI	10/4/88
D2DWL9-05-0026-9100036	GREELEY & HANSEN FY 85 IL	10/26/88
E2CWM5-05-0277-9200001	ALBERT LEA MN	10/14/88
E2CWM6-05-0019-9200002	BRAINERD MN	10/21/88
E2CWM6-05-0261-9200003	FAIRVIEW PARK OH	10/25/88
E2CWM5-05-0158-9200004	ANTWERP OH	11/9/88
E2AWP9-05-0193-9400016	TUNNEL SAFETY (EWSI OH	3/6/89
P2CWN6-05-0346-9300005	MERRILLVILLE CD IN	10/28/88
P2CWN6-05-0356-9300036	BUTLER CO OH	3/31/89
P2CWP6-05-0358-9400002	PAINESVILLE OH	11/14/88
P2CWP6-05-0381-9400009	DELAVAN LAKE SD WI	1/30/89
P2CWP6-05-0022-9400013	FT WAYNE IN	3/1/89
P2CWP6-05-0179-9400019	MARION IN	3/16/89
P2CWP5-05-0166-9400020	CALHOUN CO MI	3/17/89
P2CWP6-05-0220-9400021	OAKLAND CO MI	3/29/89
P2CWP6-05-0364-9400023	NEORSD CLEVELAND OH	3/30/89
P2CWP6-05-0111-9400026	PONTIAC MI	3/31/89
TOTAL OF REGION 05 = 17		
E2CWM7-06-0175-9100090	AMARILLO TX	12/13/88
E2CWM7-06-0084-9100165	ESPANOLA NM	1/23/89
P2CWN7-06-0102-9300019	RED RIVER NM	1/25/89
TOTAL OF REGION 06 = 3		
E2CWM8-07-0039-9200006	OSCEOLA MO	1/5/89
P2CW*6-07-0142-9300023	KANSAS CITY MO	2/22/89
TOTAL OF REGION 07 = 2		
P2CW*7-08-0016-9300007	DEVILS LAKE CITY OF ND	11/16/88
P2CW*7-08-0060-9300009	COLORADO SPRINGS CITY OF CO	11/21/88
TOTAL OF REGION 08 = 2		
E2AWP9-09-0048-9400018	WEOTT EARLY WARNING CA	3/16/89
E2AWP9-09-0065-9400025	HOMELAND EARLY WARNING CA	3/31/89
P2CW*6-09-0150-9300013	PIMA COUNTY AZ	12/13/88
P2CWN9-09-0055-9300014	PIMA CO AZ	12/20/88
P2CW*8-09-0027-9300027	PIMA COUNTY WMD AZ	3/9/89
S2CW*6-09-0055-9100004	LOS ANGELES CITY OF CA	10/12/88
S2CW*7-09-0012-9100005	BEAUMONT CITY OF CA	10/12/88
S2CW*7-09-0017-9100006	SIMI VALLEY CSD CA	10/12/88
S2CW*5-09-0236-9300015	SANTA PAULA CITY OF CA	12/21/88
S2CW*7-09-0014-9300026	MCFARLAND CITY OF CA	3/6/89
S2CW*7-09-0246-9300033	VISTA SANITATION DIST	3/23/89
S2CW*8-09-0334-9300035	SACRAMENTO REGIONAL CSD CA	3/31/89
TOTAL OF REGION 09 = 12		
P2BW*7-10-0088-9100003	CH2M HILL INC OR	10/6/88
P2CW*6-10-0103-9300006	OKANOGAN CITY OF WA	11/9/88
P2CWN9-10-0111-9300018	SILVERTON OR	1/5/89
TOTAL OF REGION 10 = 3		
TOTAL CONSTRUCTION GRANT AUDITS = 75		
3. OTHER GRANT AUDITS		
C3EW*8-01-0401-9100016	HILLSBOROUGH NH	10/12/88
C3HMH9-01-0017-9500038	FALMOUTH MA	10/17/88
C3HMH9-01-0019-9500055	ENFIELD NH	10/26/88
C3HMH9-01-0020-9500098	WINTHROP MA	11/7/88
C3HMH9-01-0032-9500104	ST ALBANS VT	11/7/88
C3HMH9-01-0021-9500111	WINTHROP MA	11/14/88
C3HMH9-01-0035-9500127	MERIDEN, CT	11/17/88
C3HMH9-01-0033-9500167	WHITMAN, MA	12/1/88
C3HMH9-01-0040-9500206	JAFFREY, NH	12/15/88
C3HMH9-01-0056-9500243	PROCTOR	12/30/88
C3HMH9-01-0078-9500274	CLAREMONT, NH	1/17/89
C3HMH9-01-0082-9500277	PORTLAND WATER DIST, ME	1/17/89
C3HMH9-01-0081-9500286	MATTABASSET DIST CT	1/18/89
C3HMH9-01-0091-9500287	WINCHESTER, CT	1/18/89
C3HMH9-01-0087-9500301	HANOVER, NH	1/20/89
C3HMK9-01-0088-9500329	SHELBURNE FIRE DIST NO 1, VT	1/31/89
C3HMK9-01-0089-9500330	MILFORD, CT	1/31/89
C3HMK9-01-0090-9500352	WALLINGFORD, CT	2/7/89
C3HMK9-01-0092-9500367	SUFFIELD, CT	2/9/89
C3HMK9-01-0095-9500385	COVENTRY, CT	2/15/89
C3HMK9-01-0106-9500409	BERLIN, NH	2/23/89
C3HMK9-01-0110-9500433	YARMOUTH, MA	3/2/89
C3HMK9-01-0107-9500437	WOLCOTT, CT	3/3/89
C3HMH9-01-0083-9500475	MWRA, MA	3/22/89
C3HMK9-01-0119-9500476	STONEHAM, MA	3/22/89
C3HMK9-01-0114-9500480	HAMPTON, NH	3/23/89
N3HMH9-01-0027-9500058	PIONEER VALLEY PLAN COMM MA	10/26/88
N3HMH9-01-0028-9500059	ROCKINGHAM PLNG COM NH	10/26/88
N3HMH9-01-0026-9500072	INDIAN TOWNSHIP ME	10/28/88
N3HMH9-01-0034-9500205	BURLINGTON VT	12/15/88
N3HMH9-01-0054-9500232	BRIDGEPORT CT	12/23/88
N3HMH9-01-0077-9500276	BARNSTABLE, MA	1/17/89
N3HMK9-01-0097-9500386	MACHIAS, ME	2/15/89
N3HMK9-01-0098-9500387	STRAFFORD REG. PLAN COMM, NH	2/16/89
N3HMK9-01-0099-9500388	WARWICK, RI	2/16/89
N3HMK9-01-0100-9500392	WATERBURY, CT	2/16/89
N3HMK9-01-0104-9500434	COMMONWEALTH OF MASSACHUSETTS	3/2/89
N3HMH9-01-0109-9500479	NANTUCKET, MA	3/23/89
TOTAL OF REGION 01 = 38		
C3HMK9-02-0052-9500065	MIDDLETON NY	10/28/88
C3HMK9-02-0053-9500066	HORNELL NY	10/28/88
C3HMK9-02-0034-9500069	LIBERTY NY	10/28/88
C3HMJ9-02-0024-9500076	INTERSTATE SAN COMM NY	10/28/88
C3HMK9-02-0051-9500077	MIDDLETON NY	10/28/88
C3HMK9-02-0056-9500078	NO ARLINGTON-LYNDHURST JT NJ	10/31/88
C3HMK9-02-0060-9500110	CLARENCE NY	11/14/88
C3HMK9-02-0067-9500133	FRANKLINVILLE, NY	11/21/88
C3HMK9-02-0073-9500165	LOVE CANAL NY	11/30/88
C3HMK9-02-0074-9500166	GOWANDA, VILLAGE OF NY	11/30/88
C3HMK9-02-0080-9500198	CASTLETON ON HUDSON, NY	12/13/88
C3HMK9-02-0076-9500199	BERGEN, NY	12/13/88
C3HMK9-02-0078-9500200	BERGEN, NY	12/13/88

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C3HMK9-02-0082-9500201	CASTLETON ON HUDSON, NY	12/13/88
C3HMK9-02-0084-9500224	NEW BALTIMORE, NY	12/22/88
C3HMK9-02-0086-9500225	PORT HENRY, NY	12/22/88
C3HMK9-02-0088-9500226	WILSON, NY	12/22/88
C3HMK9-02-0090-9500233	CARMEL TOWN OF NY	12/28/88
C3HMK9-02-0092-9500235	DELAWARE RIVER BASIN COMM NJ	12/28/88
C3HMK9-02-0094-9500239	WAWARSING, TOWN OF NY	12/29/88
C3HMK9-02-0096-9500240	WAWARSING, TOWN OF NY	12/29/88
C3HMK9-02-0098-9500265	CATSKILL, NY	1/11/89
C3HMK9-02-0100-9500266	NEW WINDSOR, NY	1/11/89
C3HMK9-02-0102-9500267	ALEXANDER, NY	1/11/89
C3HMK9-02-0117-9500283	HIGHLANDS, NY	1/18/89
C3HMK9-02-0119-9500285	WEBSTER, NY	1/18/89
C3HMK9-02-0157-9500294	WHEATFIELD, NY	1/19/89
C3HMK9-02-0152-9500307	HUDSON REG HEALTH COMM, NJ	1/25/89
C3HMK9-02-0160-9500310	FALLSBURG, NY	1/26/89
C3HMK9-02-0161-9500340	BINGHAMTON, NY	2/2/89
C3HMK9-02-0171-9500368	LEWISTON, NY	2/13/89
C3HMK9-02-0173-9500369	OCEAN, NJ	2/13/89
C3HMK9-02-0186-9500389	ROCKAWAY VALLEY REG SA, NJ	2/16/89
C3HMK9-02-0190-9500391	ATTICA, NY	2/16/89
C3HMK9-02-0191-9500396	HAMILTON, NY	2/17/89
C3HMK9-02-0199-9500399	HAMBURG, NY	2/21/89
C3HMK9-02-0203-9500423	BATAVIA, NY	2/28/89
C3HMK9-02-0206-9500449	PAWLING JT SEWER COMM, NY	3/7/89
C3HMK9-02-0207-9500450	TRI-MUNICIPAL SEWER COMM, NY	3/7/89
D3DML9-02-0071-9100092	BURNS & ROE INDUSTRIAL NJ	12/13/88
D3EMN9-02-0068-9300024	ECOLOGY AND ENVIRONMENT, NY	12/13/88
D3EMN9-02-0069-9300025	ECOLOGY AND ENVIRONMENT, NY	12/13/88
N3HMK9-02-0032-9500067	ROME NY	10/28/88
N3HMJ9-02-0033-9500068	CENT NY REG PLNG BD NY	10/28/88
N3HMK9-02-0008-9500073	MONROE CNTY NY	10/28/88
N3HMK9-02-0009-9500074	ERIE CNTY NY	10/28/88
N3HMK9-02-0010-9500075	CHEMUNG CNTY NY	10/28/88
N3HMK9-02-0059-9500105	ERIE & NIAGARA REG PLAN NY	11/9/88
N3HMK9-02-0058-9500106	YORKTOWN NY	11/9/88
N3HMK9-02-0057-9500107	FULTON NY	11/10/88
N3HMK9-02-0062-9500118	SARANAC LAKE NY	11/16/88
N3HMK9-02-0064-9500119	GLEN COVE, NY	11/16/88
N3HMK9-02-0089-9500227	WATERFORD, NY	12/22/88
N3HMK9-02-0138-9500268	CHEMUNG CNTY NY	1/11/89
N3HMK9-02-0147-9500269	NORTH GREENBUSH, NY	1/11/89
N3HMK9-02-0154-9500284	HAMILTON, NJ	1/18/89
N3HMK9-02-0153-9500293	SCHAGHTICOKE, NY	1/19/89
N3HMK9-02-0169-9500343	LIBERTY, NY	2/6/89
N3HMK9-02-0170-9500344	NORTH GREENBUSH, NY	2/6/89
N3HMK9-02-0172-9500366	NORTH TONAWANDA, NY	2/9/89
N3HMK9-02-0185-9500372	ONONDAGA COUNTY, NY	2/14/89
N3HMK9-02-0186-9500373	SUFFOLK COUNTY, NY	2/14/89
N3HMK9-02-0187-9500374	ERIE COUNTY, NY	2/14/89
N3HMK9-02-0189-9500390	PERU, NY	2/16/89
N3HMK9-02-0193-9500394	PR DEPT OF AGRICULTURE, PR	2/16/89
N3HMK9-02-0194-9500395	WESTCHESTER COUNTY, NY	2/16/89
N3HMK9-02-0200-9500398	ALBANY, NY	2/21/89
N3HMK9-02-0204-9500424	TICONDEROGA, NY	2/28/89
N3HMK9-02-0205-9500439	ONEIDA COUNTY, NY	3/6/89
N3HMK9-02-0210-9500451	MASSENA, NY	3/7/89
TOTAL OF REGION 02 = 70		
C3HMK9-03-0022-9500028	PRESTON COMM OF FYE 6/88 MD	10/18/88
C3HMK9-03-0024-9500030	EARL TOWNSHIP FYE 6/88 PA	10/18/88
C3HMK9-03-0043-9500081	SPRINGETTSBURY SEWER AUTH PA	11/1/88
C3HMK9-03-0048-9500122	HURLOCK MYR & COUN FYE 6/88 MD	11/16/88
C3HMK9-03-0049-9500123	MONTROSE MUNICIPAL AUTH PA	11/16/88
C3HMJ9-03-0047-9500126	VA DEPT WASTE MGMT FYE 6/87 VA	11/17/88
C3HMK9-03-0061-9500197	SUSQUEHANNA RIVER FYE 6/88 PA	12/12/88
C3HMK9-03-0078-9500217	SOLANCO SCHOOL FYE 6/88 PA	12/20/88
C3HMK9-03-0079-9500218	DUPONT BOROUGH OF FYE 6/88 PA	12/20/88
C3HMK9-03-0105-9500275	GARRETT COUNTY FYE 6/86 MD	1/17/89
C3HMK9-03-0114-9500305	BRUNSWICK TOWN OF FYE 6/88 MD	1/25/89
C3HMK9-03-0115-9500306	LEESBURG TOWN OF FYE 6/88 VA	1/25/89
C3HMK9-03-0117-9500327	ST MARY CO METRO FYE 6/88 MD	1/30/89
C3HMK9-03-0127-9500348	SOUTH LONDONDERRY TWP PA	2/7/89
C3HMK9-03-0128-9500349	UPPER GWYNEDD-TOWAMENCIN PA	2/7/89
C3HMK9-03-0129-9500350	HAVRE DE GRACE CITY OF MD	2/7/89
C3HMK9-03-0130-9500365	DE RIVER BASIN FYE 6/88 DE	2/9/89
C3HMK9-03-0134-9500380	MILFORD, CITY OF FYE 6/88 DE	2/15/89
C3HMK9-03-0136-9500393	GARRETT COUNTY COMMISSION MD	2/16/89
C3HMK9-03-0137-9500406	N&S SHENANGO JOINT MUN 86 PA	2/22/89
C3HMK9-03-0138-9500407	HARBORCREEK TWP SEWER PA	2/22/89
C3HMK9-03-0139-9500408	GARRETT COUNTY COMMISSION MD	2/22/89
C3HMK9-03-0140-9500429	HAZLETON CITY AUTHORITY PA	3/1/89
C3HMK9-03-0141-9500452	EASTON UTILITIES COMMISSION MD	3/8/89
C3HMK9-03-0159-9500503	BUTLER TOWNSHIP CYE 12/87 PA	3/30/89
C3HMK9-03-0160-9500504	WASHINGTON SUB SANITARY MD	3/30/89
C3HMK9-03-0161-9500505	DOVER CITY OF DE	3/30/89
N3HMJ9-03-0025-9500021	EPA COMMONWEALTH OF FYE 6/87 PA	10/18/88
N3HMJ9-03-0026-9500022	PA COMMONWEALTH OF FYE 6/86 PA	10/18/88
N3HMK9-03-0027-9500023	CAPE CHARLES, TOWN FYE 6/87 VA	10/18/88
N3HUJ9-03-0021-9500027	VA POLYTECHNIC FYE 6/87 VA	10/18/88
N3HMK9-03-0023-9500029	ERIE COUNTY FYE 12/85 PA	10/18/88
N3HMK9-03-0042-9500080	FREDERICK CO FYE 6/87 MD	11/1/88
N3HMK9-03-0045-9500117	WILMINGTON CITY OF FYE 6/87 DE	11/16/88
N3HMK9-03-0056-9500140	KENT CO LEVY COURT FYE 6/87 DE	11/23/88
N3HMK9-03-0059-9500192	RICHMOND CITY OF FYE 6/87 VA	12/9/88
N3HUK9-03-0060-9500193	DREXEL UNIVERSITY FYE 6/87 PA	12/9/88
N3HMK9-03-0071-9500214	WESTMINSTER CITY FYE 6/88 MD	12/19/88
N3HMJ9-03-0080-9500219	VA DEPT ARG & CONSMR 6/87 VA	12/20/88
N3HMJ9-03-0086-9500237	VA DEPT EMERGENCY FYE 6/87 VA	12/29/88
N3HMJ9-03-0087-9500238	DELAWARE STATE OF FYE 6/87 DE	12/29/88
N3HMK9-03-0094-9500264	ABERDEEN TOWN OF FYE 6/88 MD	1/11/89
N3HMK9-03-0116-9500328	ALLEGHENY COUNTY CYE 12/87 PA	1/31/89
N3HMK9-03-0131-9500378	BERLIN, TOWN OF FYE 6/85 MD	2/15/89
	HOWARD COUNTY FYE 6/87 MD	2/15/89
N3HMK9-03-0135-9500381	BALTIMORE, CITY OF MD	2/15/89
N3HUK9-03-0150-9500482	LEHIGH UNIVERSITY PA	3/23/89
N3HMK9-03-0155-9500502	SOMERSET COUNTY FYE 6/85 MD	3/30/89
P3CS*8-03-0094-9100100	ASTSWMO ALAPCO & STAPPA	12/19/88
TOTAL OF REGION 03 = 49		
C3HMK8-04-0413-9500010	FT LAUDERDALE FL	10/12/88
C3HWK8-04-0431-9500012	JASPER UTIL BOARD AL	10/13/88
C3HWK8-04-0435-9500018	FOUNTAIN RUN WATER DIST KY	10/13/88
C3HWK8-04-0432-9500025	FOUNTAIN RUN WATER DIST KY	10/18/88
C3HWK8-04-0423-9500026	JACKSONVILLE, FL	10/18/38
C3HWK9-04-0060-9500162	COVINGTON GA	11/30/88
C3HWK9-04-0087-9500163	ANNISTON WWSB, AL	11/30/88
C3HWK9-04-0059-9500168	CARROLLTON GA	12/1/88
C3HWK9-04-0074-9500169	KISSIMMEE FL	12/1/88
C3HWK9-04-0103-9500242	WALTERBORO SC	12/30/88
C3HWK9-04-0105-9500251	ARAB AL	1/9/89
C3HWK9-04-0114-9500282	THOMASVILLE GA	1/18/89
C3HWK9-04-0117-9500321	LUDOWICI GA	1/27/89
C3HWK9-04-0121-9500326	OKEECHOBEE FL	1/30/89
C3HWK9-04-0118-9500360	MIDDLESBOROUGH KY	2/3/89
C3HWK9-04-0131-9500361	DALTON WATER LIGHT & SINK GA	2/9/89
C3HWK9-04-0130-9500377	ROCK HILL SC	2/15/89
C3HWK9-04-0139-9500425	LIBERTY, NC	3/1/89
C3HWK9-04-0152-9500438	GRAND STRAND WSA SC	3/3/89
C3HWK9-04-0151-9500461	CENTERTOWN KY	3/10/89
C3HMK9-04-0153-9500462	MONTGOMERY COUNTY AL	3/10/89
C3HWK9-04-0154-9500463	FLOWOOD MS	3/10/89
C3HWK9-04-0165-9500481	ALLIGATOR MS	3/23/89
C3HWK9-04-0168-9500512	JASPER, GA	3/31/89
E3BW*8-04-0333-9100170	R4 REVIEW 205G SC	1/26/89
H3AML9-04-0134-9100202	RESEARCH TRIANGLE PARK NC	3/3/89
H3AML9-04-0135-9100206	RESEARCH TRIANGLE INST, NC	3/7/89
N3HMK9-04-0022-9500084	HUNTSVILLE AL	11/2/88
N3HUK9-04-0050-9500109	SOUTH ALABAMA UNIVERSITY, AL	11/10/88
N3HUJ9-04-0062-9500112	EAST CAROLINA UNIVERSITY NC	11/16/88
N3HWK9-04-0058-9500114	CUMBERLAND COUNTY, NC	11/16/88
N3HUK9-04-0052-9500115	EMORY UNIVERSITY GA	11/16/88
N3HWK9-04-0051-9500121	ATLANTA REGIONAL COMMISSION,GA	11/16/88
N3HPJ9-04-0063-9500124	AL DEPT AGRICULTURE & IND AL	11/17/88
N3HWK9-04-0061-9500125	JACKSON MS	11/17/88
N3HUK9-04-0067-9500139	DUKE UNIVERSITY NC	11/23/88
N3HUK9-04-0068-9500144	KENTUCKY UNIVERSITY OF, KY	11/23/88
N3HAK9-04-0070-9500161	BUNCOMBE COUNTY, NC	11/30/88
N3HMJ9-04-0088-9500179	SC DEPT OF HEALTH & ENV SC	12/5/88
N3HMJ9-04-0090-9500180	SC DEPT HEALTH & ENV CONT,SC	12/5/88
N3HWK9-04-0073-9500181	PASCO COUNTY FL	12/5/88
N3HMK9-04-0089-9500182	PINELLAS COUNTY, FL	12/5/88
N3HMJ9-04-0104-9500244	KENTUCKY, STATE OF KY	1/3/89
N3HWK9-04-0102-9500245	EASTERN BAND CHEROKEE IND TN	1/3/89
N3HUK9-04-0107-9500254	WESTERN KENTUCKY UNIV KY	1/9/89
N3HUK9-04-0109-9500258	WESTERN KENTUCKY UNIV, KY	1/9/89
N3HWK9-04-0108-9500259	CRAVEN COUNTY NC	1/9/89
N3HMK9-04-0106-9500260	BROWARD COUNTY FL	1/9/89
N3HSJ9-04-0119-9500317	SULLIVAN COUNTY TN	1/26/89
N3HUJ9-04-0122-9500319	JACKSON STATE UNIVERSITY MS	1/26/89
N3HWK9-04-0120-9500331	WAYCROSS GA	1/31/89
N3HWJ9-04-0144-9500410	RICHLAND COUNTY SC	2/23/89
N3HMK9-04-0141-9500411	MISSISSIPPI, STATE OF MS	2/23/89
N3HUJ9-04-0142-9500412	NC UNIVERSITY, CHAPEL HILL, NC	2/23/89
N3HMJ9-04-0143-9500415	FLORIDA STATE OF FL	2/24/89
N3HAK9-04-0156-9500456	KNOX COUNTY TN	3/9/89
N3HWK9-04-0155-9500457	LEITCHFIELD KY	3/9/89
N3HUK9-04-0163-9500509	SUMTER AREA TECHNICAL COLLE, SC	3/31/89
N3HUK9-04-0164-9500510	SUMTER AREA TECHNICAL COL, SC	3/31/89
N3HUJ9-04-0166-9500511	MISSISSIPPI MEDICAL CTR, MS	3/31/89
TOTAL OF REGION 04 = 60		
C3HMK8-05-0603-9500003	ODIN FY 88 IL	10/5/88
C3HMJ8-05-0614-9500004	VALPARAISO FY 87 IN	10/11/88
C3HMJ8-05-0611-9500005	SOUTHWEST LSD FY 87 OH	10/12/88
C3HMJ8-05-0606-9500006	ELWOOD FY 87 IN	10/12/88
C3HMK8-05-0612-9500007	WARREN LSD FY 87 OH	10/12/88
C3HMJ8-05-0613-9500008	OTSECO LSD FY 87 OH	10/12/88
C3HMJ8-05-0607-9500009	MICHIGAN CITY FY 87 IN	10/12/88
C3HMK8-05-0616-9500014	CALEDONIA FY 87 MN	10/14/88
C3HMJ8-05-0609-9500015	LOUDON/PERRYVILLE VSD FY 87 OH	10/14/88
C3HMK8-05-0618-9500036	CUYAHOGA FALLS FY 87 OH	10/19/88
C3HMJ8-05-0631-9500037	GREENCASTLE FY 87 IN	10/19/88
C3HMJ8-05-0639-9500039	ASHTABULA ACSD FY 87 OH	10/21/88
C3HMJ8-05-0640-9500040	WILLARD CSD FY 87 OH	10/21/88
C3HMK8-05-0637-9500041	OAKLAND FY 87 IN	10/21/88
C3HMJ8-05-0638-9500042	MADISON LSD FY 87 OH	10/21/88
C3HMJ8-05-0636-9500043	CANAL WINCHESTER FY 87 OH	10/21/88
C3HMJ8-05-0621-9500044	SCHERERVILLE FY 87 IN	10/21/88
C3HMJ8-05-0623-9500049	NAPPANEE FY 87 IN	10/25/88
C3HMK8-05-0628-9500050	BROWNSBURG FY 87 IN	10/25/88
C3HMJ8-05-0629-9500051	PLYMOUTH FY 87 IN	10/25/88
C3HMK8-05-0633-9500052	ADDISON FY 88 IL	10/25/88
C3HMJ9-05-0021-9500063	LAPORTE FY 87 IN	10/27/88
C3HMJ9-05-0022-9500071	HOWLAND LSD FY 87 OH	10/28/88
C3HMK9-05-0024-9500085	BRIGHTON FY 88 MN	11/2/88
C3HMK9-05-0027-9500086	ELMHURST FY 88 IL	11/2/88
C3HMJ9-05-0056-9500093	WILLOUGHBY FY 87 OH	11/3/88

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C3HMK9-05-0058-9500094	BARBERTON FY 87 OH	11/3/88
C3HMK9-05-0060-9500096	THORN CREEK SD FY 88 IL	11/4/88
C3HMK9-05-0092-9500129	CAIRO FY 88 IL	11/18/88
C3HMK9-05-0088-9500130	BERRIEN CO FY 86 MI	11/18/88
C3HMK9-05-0090-9500131	OTTAWA CO FY 87 MI	11/18/88
C3HMK9-05-0093-9500132	SAGINAW CO FY 87 MI	11/18/88
C3HMJ9-05-0094-9500136	CARMEL FY 87 IN	11/22/88
C3HMK9-05-0096-9500137	FLUSHING FY 87 MI	11/22/88
C3HMK9-05-0098-9500138	SALINE FY 88 MI	11/23/88
C3HMK9-05-0100-9500152	HOMEWOOD FY 88 IL	11/28/88
C3HMK9-05-0101-9500153	SALEM FY 88 IL	11/28/88
C3HMK9-05-0107-9500157	ROCKFORD SD FY 86 IL	11/29/88
C3HMK9-05-0103-9500158	IMLAY CITY FY 88 MI	11/29/88
C3HMK9-05-0108-9500159	LORAIN FY 86 OH	11/30/88
C3HMK9-05-0110-9500160	PEKIN FY 88 IL	11/30/88
C3HMK9-05-0122-9500172	FARMER CITY FY 88 IL	12/2/88
C3HMK9-05-0113-9500174	MT CLEMENS FY 88 MI	12/2/88
C3HMK9-05-0117-9500176	WORTH FY 88 IL	12/5/88
C3HMJ9-05-0124-9500177	CHESTERTON FY 87 IN	12/5/88
C3HMJ9-05-0123-9500183	PLAINFIELD FY 87 IN	12/6/88
C3HMJ9-05-0119-9500184	CLARKSVILLE FY 87 IN	12/6/88
C3HMK9-05-0091-9500207	DECATUR SD FY 88 IL	12/16/88
C3HMJ9-05-0120-9500208	BRAZIL FY 87 IN	12/16/88
C3HMK9-05-0121-9500209	WAMAC FY 88 IL	12/16/88
C3HMK9-05-0059-9500210	NEORSD FY 87 OH	12/16/88
C3HMK9-05-0118-9500212	KENT CO FY 87 MI	12/16/88
C3HMK9-05-0109-9500222	SAGINAW TWP FY 88 MI	12/21/88
C3HMK9-05-0133-9500223	VIRGINIA FY 87 MN	12/21/88
C3HMK9-05-0136-9500228	BEMENT FY 88 IL	12/22/88
C3HMK9-05-0134-9500229	GENESEO FY 88 IL	12/22/88
C3HMK9-05-0139-9500236	ELYRIA FY 87 OH	12/28/88
C3HMK9-05-0140-9500241	DEKALB SD FY 88 IL	12/29/88
C3HMK9-05-0160-9500255	CLEVELAND CSD FY 87 OH	1/9/89
C3HMK9-05-0164-9500256	ROCKY RIVER FY 87 OH	1/9/89
C3HMK9-05-0135-9500270	KEWANEE FY 88 IL	1/13/89
C3HMJ9-05-0163-9500271	RICHMOND FY 87 IN	1/13/89
C3HMK9-05-0167-9500288	MSD CHICAGO FY 87 IL	1/19/89
C3HMJ9-05-0173-9500302	FALL CREEK RSD FY 87 IN	1/20/89
C3HMK9-05-0168-9500303	RICHMOND FY 88 MI	1/20/89
C3HMK9-05-0176-9500308	MENAHGA FY 87 MN	1/25/89
C3HMK9-05-0179-9500309	GREENVILLE FY 87 OH	1/25/89
C3HMK9-05-0182-9500345	MOKENA FY 88 IL	2/7/89
C3HMJ9-05-0185-9500346	ASHLEY FY 87 IN	2/7/89
C3HMK9-05-0181-9500351	ROCKY RIVER FY 87 OH	2/7/89
C3HMK9-05-0183-9500353	LOWELL FY 88 MI	2/7/89
C3HMJ9-05-0195-9500364	FT BRANCH FY 86 87 IN	2/9/89
C3HMK9-05-0194-9500414	RACINE FY 87 WI	2/23/89
C3HMK9-05-0166-9500417	AKRON FY 87 OH	2/24/89
C3HMK9-05-0169-9500418	KALAMAZOO FY 87 MI	2/27/89
C3HMK9-05-0208-9500426	GAYLORD FY 87 MN	3/1/89
C3HMJ9-05-0210-9500427	ALLEN CO RSD FY 87 IN	3/1/89
C3HMK9-05-0211-9500428	GLENWOOD FY 87 MN	3/1/89
C3HMK9-05-0212-9500435	CLEAR LAKE FY 87 WI	3/3/89
C3HMJ9-05-0214-9500436	FLORA FY 86 87 88 IN	3/3/89
C3HMJ9-05-0223-9500443	BRINGHURST RSD FY 86 87 IN	3/6/89
C3HMJ9-05-0220-9500444	CYNTHIANA FY 87 IN	3/6/89
C3HMJ9-05-0229-9500446	PAOLI FY 87 IN	3/7/89
C3HMJ9-05-0231-9500447	SIDNEY CSD FY 88 OH	3/7/89
C3HMJ9-05-0230-9500448	SYLVANIA CSD FY 88 OH	3/7/89
C3HMJ9-05-0226-9500466	MANSFIELD FY 87 OH	3/15/89
C3HMJ9-05-0239-9500473	ETNA GREEN FY 87 IN	3/22/89
C3HMJ9-05-0240-9500478	DANVILLE FY 86 87 IN	3/22/89
C3HMK9-05-0241-9500483	W CHICAGO FY 88 IL	3/23/89
C3HMJ9-05-0244-9500485	WINGATE FY 86 87 IN	3/23/89
N3HMJ8-05-0222-9500002	MONTGOMERY CO FY 85 OH	10/5/88
N3HMK8-05-0562-9500033	DETROIT FY 87 MI	10/19/88
N3HMJ8-05-0425-9500034	PURDUE U FY 87 IN	10/19/88
N3HMJ8-05-0549-9500035	RICHMOND FY 86 IN	10/19/88
N3HMJ8-05-0619-9500053	ALEXANDRIA FY 87 IN	10/25/88
N3HMJ8-05-0600-9500061	WASHINGTON CO FY 86 MN	10/27/88
N3HMK8-05-0497-9500062	DELAWARE FY 87 OH	10/27/88
N3HMK8-05-0565-9500070	SIU CARBONDALE FY 86 87 IL	10/28/88
N3HMJ8-05-0620-9500171	WASHINGTON CO FY 87 MN	12/2/88
N3HMK8-05-0108-9500173	BLACKDUCK FY 86 MN	12/2/88
N3HMK9-05-0028-9500175	EAU CLAIRE FY 87 WI	12/5/88
N3HMJ8-05-0641-9500185	MUNCIE FY 87 IN	12/6/88
N3HMJ8-05-0153-9500231	E CHICAGO FY 86 IN	12/22/86
N3HMJ9-05-0055-9500234	SIDNEY FY 86 OH	12/28/88
N3HMK9-05-0099-9500246	MT PROSPECT FY 88 IL	1/5/89
N3HMK9-05-0159-9500273	MOLINE FY 88 IL	1/17/89
N3HMK9-05-0155-9500289	DANE CO RPC FY 84 85 WI	1/19/89
N3HMK9-05-0156-9500299	DANE CO RPC FY 86 WI	1/19/89
N3HMK9-05-0157-9500300	DANE CO RPC FY 87 WI	1/19/89
N3HMK8-05-0598-9500335	HAMILTON FY 85 OH	2/1/89
N3HMJ9-05-0174-9500336	BLOOMINGTON FY 87 IN	2/1/89
N3HMK9-05-0186-9500347	MARQUETTE CO FY 87 MI	2/7/89
N3HMK9-05-0105-9500357	CARBONDALE FY 88 IL	2/8/89
N3HMK8-05-0604-9500358	DUPAGE CO FY 87 IL	2/8/89
N3HMJ9-05-0171-9500359	GARY FY 87 IN	2/8/89
N3HMK9-05-0089-9500397	WHITE EARTH RESERV FY 87 MN	2/17/89
N3HMK7-05-0755-9500441	DE PERE FY 86 WI	3/6/89
N3HMJ9-05-0219-9500442	MICHIGAN DOA FY 85 86 MI	3/3/89
N3HMJ9-05-0221-9500445	INDIANA ST U FY 88 IN	3/7/89
N3HMK9-05-0191-9500453	MACOMB CO FY 87 MI	3/8/89
N3HMK9-05-0158-9500454	OAKLAND CO FY 87 MI	3/8/89
N3HMK9-05-0218-9500455	WASHTENAW CO FY 86 MI	3/8/89
N3HMK9-05-0192-9500458	CHICAGO FY 87 IL	3/9/89
N3HMK9-05-0236-9500472	WARREN FY 87 OH	3/20/89
N3HMJ8-05-0627-9500474	PORTAGE FY 87 IN	3/22/89
N3HMJ9-05-0213-9500477	TELL CITY FY 87 IN	3/22/89
N3HMK8-05-0378-9500506	MOLINE FY 87 IN	3/30/89
N3HMJ9-05-0196-9500507	DAYTON FY 87 OH	3/30/89
N3HMJ9-05-0235-9500508	INDIANA BOH FY 87 IN	3/30/89
	TOTAL OF REGION 05 = 129	
C3HMK9-06-0015-9500001	SAN MARCOS TX	10/4/88
C3HMK8-06-0250-9500011	SAN ANTONIO, TX	10/13/88
C3HMK8-06-0260-9500020	NORMAN, OK	10/13/88
C3HWK8-06-0255-9500024	CLAREMORE OK	10/18/88
C3HMK9-06-0020-9500045	KENNER LA	10/24/88
C3HMK9-06-0025-9500054	TEXARKANA TX	10/26/88
C3HMK9-06-0029-9500056	JOAQUIN TX	10/26/88
C3HMK9-06-0026-9500057	TEXARKANA TX	10/26/88
C3HMK9-06-0024-9500060	SHERIDAN WATER & SEWER AR	10/27/88
C3HWK9-06-0019-9500083	KENNER LA	11/2/88
C3HWK9-06-0060-9500095	CISCO TX	11/3/88
C3HMK9-06-0036-9500097	NORTH LITTLE ROCK, AR	11/4/88
C3HMK9-06-0045-9500134	ARKANSAS DEPT. OF POLLUTION AR	11/21/88
C3HWK9-06-0261-9500156	CALERA OK	11/29/88
C3HWK9-06-0056-9500247	FARWELL TX	1/5/89
C3HWK9-06-0063-9500298	ROCKPORT TX	1/19/89
C3HWK9-06-0065-9500304	WILLS POINT TX	1/24/89
C3HWK9-06-0059-9500318	NORMAN OK	1/26/89
C3HWK9-06-0054-9500333	EDINBURG TX	1/31/89
C3HWK9-06-0071-9500334	CRESCENT PUBLIC WORK AUTHOR, OK	1/31/89
C3HWK9-06-0076-9500370	GARLAND TX	2/13/89
C3HWK9-06-0078-9500375	EL PASO WCID NO 4 TX	2/14/89
C3HWK9-06-0083-9500465	EL PASO PSE TX	3/14/89
C3HWK9-06-0088-9500495	ORANGE COUNTY WCID NO. 2 TX	3/29/89
D3CAL9-06-0062-9100173	SOUTHWEST RESEARCH INSTITUT, TX	2/7/89
D3AAL9-06-0075-9100184	RADIAN CORPORATION TX	2/10/89
D3AGL9-06-0041-9100188	RADIAN CORPORATION TX	11/17/88
D3AHL9-06-0040-9100189	JOHN ZINK COMPANY ESD, OK	11/16/88
N3HWK9-06-0039-9500116	BEAUMONT TX	11/16/88
N3HWK9-06-0044-9500143	FARMERVILLE LA	11/23/88
N3HWK9-06-0038-9500145	BATON ROUGE E BATON PARISH, LA	11/23/88
N3HWK9-06-0049-9500252	LOWER RIO GRANDE VAL DEV CO, TX	1/9/89
N3HMK9-06-0050-9500253	SPRINGDALE AR	1/9/89
N3HWK9-06-0087-9500494	FORT WORTH TX	3/29/89
	TOTAL OF REGION 06 = 34	
C3HMK9-07-0015-9500013	REPUBLIC MO	10/14/88
C3HMK9-07-0016-9500016	REPUBLIC MO	10/14/88
C3HMK9-07-0018-9500032	GREENFIELD MO	10/19/88
C3HMK9-07-0019-9500046	OSAGE BEACH MO	10/24/88
C3HWK9-07-0027-9500087	BONNE TERRE MO	11/1/88
C3HWK9-07-0029-9500099	CAMERON MO	11/7/88
C3HMK9-07-0028-9500108	CEDAR RAPIDS IA	11/10/88
C3HMK9-07-0033-9500120	AURORA MO	11/16/88
C3HMK9-07-0037-9500135	BONNER SPRINGS KS	11/21/88
C3HMK9-07-0038-9500154	ARKANSAS CITY KS	11/29/88
C3HWK9-07-0046-9500186	DECORAH IA	12/8/88
C3HWK9-07-0047-9500202	ELKHART KS	12/14/88
C3HWK9-07-0048-9500203	FOREST CITY IA	12/14/88
C3HWK9-07-0049-9500204	FREDERICKTOWN MI	12/15/88
C3HWK9-07-0056-9500296	CREIGHTON NE	1/19/89
C3HWK9-07-0055-9500297	CREIGHTON NB	1/19/89
C3HWK9-07-0060-9500311	RICHMOND MO	1/26/89
C3HWK9-07-0057-9500332	CHILLICOTHE MO	1/31/89
C3HWK9-07-0065-9500341	STORM LAKE IA	2/2/89
C3HWK9-07-0066-9500342	STORM LAKE IA	2/2/89
C3HWK9-07-0063-9500362	CENTRALIA MO	2/9/89
C3HWK9-07-0068-9500363	BEATRICE BOARD PUBLIC WORKS, NB	2/9/89
C3HWK9-07-0069-9500371	BRANSON MO	2/13/89
C3HWK9-07-0064-9500376	CENTRALIA MO	2/15/89
C3HWK9-07-0070-9500416	CENTER MO	2/24/89
C3HWK9-07-0074-9500459	O'FALLON MO	3/9/89
C3HWK9-07-0075-9500460	O'FALLON MO	3/10/89
D3AGL9-07-0050-9100191	DPRA INCORPORATED KS	1/3/89
N3HUJ9-07-0030-9500113	KIRKWOOD COMM. COLLEGE IA	11/16/88
N3HAK9-07-0031-9500141	LINN COUNTY IA	11/23/88
N3HWK9-07-0032-9500142	CABOOL MO	11/23/88
N3HUJ9-07-0036-9500164	EASTERN IOWA COMM. COLLEGE IA	11/30/88
N3HWK9-07-0041-9500170	COLUMBIA MO	12/1/88
N3HWK9-07-0040-9500178	BOYDEN IA	12/5/88
N3HPK9-07-0042-9500220	MO DEPT. OF AGRICULTURE MO	12/21/88
N3HMJ9-07-0073-9500464	MISSOURI,STATE OF MO	3/10/89
	TOTAL OF REGION 07 = 36	
C3HMJ9-08-0012-9500211	HITCHCOCK CITY OF SD	12/16/88
C3HMJ9-08-0013-9500213	FAULKTON CITY OF SD	12/16/88
C3HMK9-08-0015-9500221	MINOT CITY OF ND	12/21/88
C3HMK9-08-0023-9500281	GILLETTE CITY OF WY	1/17/89
C3HMK9-08-0025-9500292	THOMPSON FALLS, TOWN OF MT	1/19/89
C3HMK9-08-0032-9500320	ANACONDA DEER LODGE COUNTY MT	1/27/89
C3HMK9-08-0033-9500325	CHEYENNE CITY OF WY	1/27/89
C3HMK9-08-0034-9500337	LIBBY CITY OF MT	2/1/89
C3HMK9-08-0040-9500382	NEWCASTLE, CITY OF WY	2/15/89
C3HMK9-08-0041-9500401	HAVRE CITY OF MT	2/21/89
C3HMK9-08-0044-9500404	CASPER CITY OF WY	2/21/89
C3HMK9-08-0055-9500514	OAK CREEK TOWN OF CO	3/31/89
C3HMK9-08-0056-9500515	ABERDEEN CITY OF SD	3/31/89
N3HMK9-08-0001-9500082	FARGO, CITY OF ND	11/1/88
N3HMJ9-08-0003-9500088	NORTH DAKOTA PARKS & REC DP ND	11/3/88
N3HUJ9-08-0002-9500090	UNIVERSITY OF UTAH UT	11/3/88
N3HMK9-08-0004-9500092	ASSINIBOINE & SIOUX TRIBES MT	11/3/88
N3HMJ9-08-0007-9500101	NORTH DAKOTA ST WATER COMM ND	11/7/88
N3HUJ9-08-0006-9500102	UTAH VALLEY COMMNTY COLLEGE UT	11/7/88
N3HMK9-08-0005-9500103	ROSEBUD SIOUX TRIBE SD	11/7/88

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N3HMK9-08-0008-9500146	OGLALA SIOUX TRIBE SD	11/25/88
N3HUK9-08-0009-9500147	METROPOLITAN STATE COLLEGE CO	11/25/88
N3HMK9-08-0010-9500188	SIOUX FALLS CITY OF SD	12/9/88
N3HMK9-08-0011-9500189	BOULDER CITY OF CO	12/9/88
N3HMK9-08-0014-9500216	DELTA CITY OF CO	12/19/88
N3HMK9-08-0021-9500261	CONF SALISH & KOOTENAI TRIB MT	1/9/89
N3HMK9-08-0022-9500272	PUEBLO CITY OF CO	1/13/89
N3HMK9-08-0024-9500291	SOUTH DAKOTA STATE OF SD	1/19/89
N3HUK9-08-0029-9500312	CASPER COLLEGE WY	1/26/89
N3HMK9-08-0030-9500313	NORTH DAKOTA DEPT OF AGRIC ND	1/26/89
N3HMK9-08-0031-9500314	NORTH DAKOTA DEPT OF HEALTH ND	1/26/89
N3HMK9-08-0039-9500355	MONTANA STATE OF MT	2/7/89
N3HMK9-08-0038-9500356	GRAND FORKS CITY OF ND	2/7/89
N3HMK9-08-00- ?-9500402	LOWER BRULE SIOUX TRIBE SD	2/21/89
N3HMK9-08-005-.9500513	OGLALA SIOUX TRIBE SD	3/31/89
TOTAL OF REGION 08 = 35		
C3HMK9-09-0049-9500148	PINETOP LAKESIDE SANI DIST AZ	11/25/88
C3HMK9-09-0071-9500263	SHOW LOW, CITY OF AZ	1/9/89
C3HMK9-09-0082-9500354	PACIFICA CITY OF CA	2/7/89
C3HMK9-09-0093-9500400	ELKO, CITY OF NV	2/21/89
C3HMK9-09-0102-9500432	HONOLULU CITY AND COUNTY OF HI	3/2/89
C3HMK9-09-0126-9500501	CARSON CITY, CITY OF NV	3/29/89
N3HMJ9-09-0023-9500047	ARIZONA DEPT OF HEALTH SVCS AZ	10/24/88
N3HMJ9-09-0022-9500048	AMADOR COUNTY OF AZ	10/24/88
N3HMJ9-09-0024-9500089	MARICOPA, COUNTY OF AZ	11/3/88
N3HMK9-09-0025-9500091	PRESCOTT CITY OF AZ	11/3/88
N3HMK9-09-0026-9500100	INTER-TRIBAL COUNCIL OF AZ	11/7/88
N3HMJ9-09-0036-9500126	PIMA COUNTY OF AZ	11/17/88
N3HMJ9-09-0050-9500149	NEVADA STATE OF NV	11/25/88
N3HMK9-09-0052-9500190	SOUTH LAKE TAHOE CITY OF CA	12/9/88
N3HMK9-09-0053-9500191	OAKLAND, CITY OF CA	12/9/88
N3HMK9-09-0054-9500194	SANTA BARBARA COUNTY OF CA	12/9/88
N3HMK9-09-0056-9500215	MESA CITY OF AZ	12/19/88
N3HMK9-09-0067-9500248	LIVE OAK CITY OF CA	1/6/89
N3HMK9-09-0068-9500249	PHOENIX CITY OF AZ	1/6/89
N3HMK9-09-0070-9500262	GILA RIVER INDIAN COMM AZ	1/9/89
N3HMK9-09-0074-9500278	MORO BAY CITY OF CA	1/17/89
N3HMK9-09-0075-9500279	NEWMAN CITY OF CA	1/17/89
N3HMK9-09-0076-9500295	SAN CARLOS APACHE TRIBE AZ	1/19/89
N3HMK9-09-0077-9500315	FORT MOJAVE INDIAN TRIBE CA	1/26/89
N3HMK9-09-0079-9500322	COLORADO RIVER INDIAN TRIBES AZ	1/27/89
N3HMK9-09-0094-9500405	SANTA ROSA CITY OF CA	2/21/89
N3HMK9-09-0095-9500419	GALT CITY OF CA	2/27/89
N3HMK9-09-0096-9500420	EMERYVILLE CITY OF CA	2/27/89
N3HMK9-09-0097-9500421	QUECHAN INDIAN TRIBE AZ	2/27/89
N3HMK9-09-0099-9500430	HAWAII, COUNTY OF HI	3/1/89
N3HMK9-09-0100-9500431	SANTA ROSA CITY OF CA	3/2/89
N3HMK9-09-0106-9500467	AMADOR COUNTY OF CA	3/15/89
N3HMK9-09-0107-9500468	GRASS VALLEY CITY OF CA	3/15/89
N3HMK9-09-0108-9500469	PLYMOUTH CITY OF CA	3/15/89
N3HMK9-09-0109-9500470	MANTECA CITY OF CA	3/15/89
N3HMK9-09-0113-9500486	MAUI COUNTY OF HI	3/28/89
N3HMK9-09-0114-9500487	KINGS COUNTY OF CA	3/28/89
N3HMK9-09-0115-9500488	MODOC COUNTY OF CA	3/28/89
N3HMK9-09-0116-9500489	DEL NORTE COUNTY OF CA	3/28/89
N3HMK9-09-0117-9500490	MODESTO CITY OF CA	3/28/89
N3HMK9-09-0118-9500491	FERNDALE CITY OF CA	3/28/89
N3HMK9-09-0119-9500492	MONTEREY COUNTY OF CA	3/28/89
N3HMK9-09-0120-9500496	LAKE COUNTY OF CA	3/29/89
N3HMK9-09-0122-9500497	SANTA CRUZ COUNTY OF CA	3/29/89
N3HMK9-09-0123-9500498	SANTA CRUZ COUNTY OF CA	3/29/89
N3HMK9-09-0124-9500499	SCOTTS VALLEY CITY OF CA	3/29/89
N3HMK9-09-0125-9500500	CORONA, CITY OF CA	3/29/89
N3HMK9-09-0127-9500516	GERBER-LAS FLORES COM SV DI CA	3/31/89
TOTAL OF REGION 09 = 48		
C3HMK9-10-0109-9500196	LANE REGIONAL AIR POLL AUTH OR	12/9/88
C3HMK9-10-0112-9500250	DRAIN CITY OF	1/6/89
C3HMK9-10-0113-9500280	BEAR CREEK VALLEY SANI AUTH OR	1/17/89
C3HMK9-10-0117-9500338	GRESHAM CITY OF OR	2/1/89
C3HMK9-10-0118-9500339	METRO WASTEWATER MGMT COMM OR	2/1/89
C3HMK9-10-0121-9500383	CHELAN CITY OF WA	2/15/89
C3HMK9-10-0122-9500384	NEWBERG CITY OF OR	2/15/89
C3HMK9-10-0123-9500413	COEUR D'ALENE CITY OF ID	2/23/89
C3HMK9-10-0124-9500422	SEASIDE CITY OF OR	2/27/89
C3HMK9-10-0126-9500440	NEW MEADOWS CITY OF ID	3/6/89
C3HMK9-10-0127-9500471	ALASKA DEPT OF ENVIRON CONS AK	3/15/89
C3HMK9-10-0130-9500517	ELBE WATER & SEWER DISTRICT WA	3/31/89
C3HMK9-10-0131-9500518	TANGENT CITY OF OR	3/31/89
N3HMK9-10-0105-9500150	JUNEAU CITY BOROUGH OF AK	11/25/88
N3HMJ9-10-0106-9500151	OREGON STATE OF OR	11/25/88
N3HMJ9-10-0108-9500195	PIERCE COUNTY OF WASHINGTON	12/9/88
N3HMK9-10-0114-9500316	TACOMA CITY OF WA	1/26/89
N3HMK9-10-0115-9500323	OLYMPIA CITY OF WA	1/27/89
N3HMK9-10-0116-9500324	SEATTLE CITY OF WA	1/27/89
N3HMK9-10-0128-9500493	EUGENE CITY OF OR	3/28/89
N3HMK9-10-0129-9500519	IDAHO ST DEPT OF HLTH & WEL ID	3/31/89
TOTAL OF REGION 10 = 21		
E3BML8-11-0054-9100152	A COOP AGREEMENT - STATE CONTROLLER	1/11/89
TOTAL OF HDQ - IAD AUDITS = 1		
TOTAL OTHER GRANT AUDITS = 521		

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5. SUPERFUND GRANT AUDITS

P5CG*7-02-0083-9100221	NYSDEC - LOVE CANAL NY	3/23/89
P5BG*7-02-0084-9100226	NJDEP - BURNT FLY BOG NJ	3/29/89
TOTAL OF REGION 02 = 2		
E5CGN8-04-0329-9300028	SC DHEC BLUFF ROAD SC	3/13/89
P5CG*8-04-0092-9100014	TENN PA/SI COOP AGREEMENT	10/18/88
TOTAL OF REGION 04 = 2		
P5CGN8-06-0122-9300022	ARKANSAS COOPERATIVE AGREEMENT	2/22/89
TOTAL OF REGION 06 = 1		
P5BGN7-07-0089-9100021	MISSOURI DNR ELLISVILLE SITE	10/19/88
TOTAL OF REGION 07 = 1		
E5AG*8-08-0019-9100034	LIDGERWOOD ND	10/26/88
TOTAL OF REGION 08 = 1		
M5BFL9-11-0011-9100050	SF IAG-CORPS OF ENG FY87	11/9/88
M5BFL9-11-0010-9100051	SF IAG-NOAA-FISCAL 84-86	11/10/88
M5BFL9-11-0020-9100096	SF IAG-JUSTICE FY 87	12/12/88
M5BFL9-11-0022-9100168	SF IAG-ENERGY FY 87	1/24/89
TOTAL OF HDQ - IAD AUDITS = 4		
TOTAL SUPERFUND GRANT AUDITS = 11		

8. OTHER CONTRACT AUDITS

D8CML9-01-0029-9100070	ARTHUR D LITTLE, MA	11/21/88
D8AML9-01-0036-9100097	MANOMET BIRD OBSERV MA	12/15/88
D8DML9-01-0041-9100098	FOSTER-MILLER, MA	12/15/88
D8DML9-01-0038-9100102	FAY SPOFFARD & THORNDYKE MA	12/20/88
D8AML9-01-0050-9100104	TEMPLE BARKER SLOANE MA	12/20/88
D8AML9-01-0047-9100121	THE CADMUS GROUP MA	12/22/88
D8AML9-01-0049-9100122	ALLIANCE TECHNOLOGY DIV MA	12/22/88
D8AML9-01-0037-9100125	APPLIED SCIENCE ASSOC RI	12/27/88
D8AML9-01-0046-9100126	ALLIANCE TECH MA	12/27/88
D8AML9-01-0347-9100127	TRC ENVIRONMENTAL CONSULT CT	12/27/88
D8AML9-01-0044-9100129	EASTERN RESEARCH GRP MA	12/27/88
D8AML9-01-0048-9100135	ARTHUR D LITTLE MA	12/29/88
D8AML9-01-0043-9100137	EASTERN RESEARCH GROUP MA	12/29/88
D8AML9-01-0051-9100138	CDM FEDERAL PROG CORP VA	12/30/88
D8AML9-01-0042-9100140	EASTERN RESEARCH GRP MA	12/30/88
D8AML9-01-0080-9100162	WILLIAMS WORKS, MI	1/19/89
D8AML9-01-0079-9100163	WILLIAMS WORKS, MI	1/19/89
D8AML9-01-0093-9100194	ARTHUR D LITTLE, CAMBRIDGE, MA	2/22/89
D8AML9-01-0096-9100195	METCALF EDDY - WAKEFLD, MA	2/22/89
D8CML9-01-0105-9100204	MAGUIRE, INC RI	3/3/89
D8AML9-01-0108-9100220	ALLIANCE TECHNOLOGY CORP, MA	3/22/89
TOTAL OF REGION 01 = 21		
D8AWL9-02-0198-9100193	YEC INC, NY	2/17/89
D8APL9-02-0201-9100196	SYRACUSE RESEARCH CORP, NY	2/24/89
D8APL9-02-0202-9100197	SYRACUSE RESEARCH CORP, NY	2/24/89
M8AM_9-02-0072-9100091	ENVIRESPONSE INC, NJ	12/13/88
TOTAL OF REGION 02 = 4		
D8AML9-03-0028-9100017	DYNAMAC CORPORATION PA	10/18/88
D8AML9-03-0029-9100018	WASHINGTON CONSULTING GP DC	10/18/88
D8DML9-03-0031-9100019	SOBOTKA AND COMPANY DC	10/18/88
D8DML9-03-0032-9100020	NATIONAL GOVERNORS ASSOC DC	10/18/88
D8AML9-03-0036-9100028	PROSPECT ASSOCIATES INC MD	10/24/88
D8AML9-03-0035-9100029	WALCOFF & ASSOCIATES INC VA	10/24/88
D8AML9-03-0039-9100040	ROY F. WESTON INC PA	10/27/88
D8AML9-03-0040-9100043	E H PECAN & ASSOCIATES VA	11/1/88
D8AML9-03-0041-9100044	TECHNICAL RESOURCES INC MD	11/1/88
D8DML9-03-0044-9100063	ROY F. WESTON INC PA	11/16/88
D8DML9-03-0046-9100064	ENERGY & ENVIRONMENTAL ANAL VA	11/16/88
D8DML9-03-0051-9100067	AMERICAN MGMT SYSTEMS VA	11/17/88
D8AML9-03-0052-9100068	AMERICAN SCIENTIFIC INTER VA	11/17/88
D8AML9-03-0053-9100069	BIONETICS CORPORATION VA	11/17/88
D8CML9-03-0062-9100081	FAIRFAX OPPORTUNITY UNLIM VA	12/12/88
D8AML9-03-0064-9100082	JACK FAUCETT ASSOC INC MD	12/12/88
D8DML9-03-0065-9100083	LABAT-ANDERSON INC VA	12/12/88
D8DML9-03-0066-9100084	AMERICAN MGMT SYSTEMS INC VA	12/12/88
D8DML9-03-0067-9100085	IMR SYSTEMS CORPORATION VA	12/12/88
D8AML9-03-0068-9100086	MAR INCORPORATED MD	12/12/88
D8AML9-03-0069-9100087	ICF TECHNOLOGY INC VA	12/12/88
D8AML9-03-0072-9100103	TECHNICAL RESOURCES INC PA	12/20/88
D8AML9-03-0073-9100105	INTERNATIONAL SCIENCE/TECH VA	12/20/88
D8DML9-03-0074-9100106	WASHINGTON CONSULTING GR DC	12/20/88
D8DML9-03-0075-9100107	JELLINEK SCHWARTZ CONNOLLY DC	12/20/88
D8DML9-03-0076-9100108	MIRANDA ASSOCIATES DC	12/20/88
D8AML9-03-0077-9100109	ENERGETICS INCORPORATED MD	12/20/88
D8BML9-03-0082-9100130	AMERICAN MGMT SYSTEMS VA	12/29/88
D8AML9-03-0083-9100131	HARRIS GROUP INC VA	12/29/88
D8AML9-03-0084-9100132	PEER CONSULTANTS P.C. MD	12/29/88
D8AML9-03-0085-9100133	C.C. JOHNSON & MALHOTRA MD	12/29/88
D8AML9-03-0095-9100149	ICF INCORPORATED VA	1/11/89
D8DML9-03-0096-9100150	AMERICAN MGMT SYSTEMS INC VA	1/11/89
D8DML9-03-0097-9100151	AMERICAN MGMT SYSTEMS INC VA	1/11/89
D8AML9-03-0098-9100153	AMERICAN MGMT SYSTEMS INC VA	1/11/89
D8AML9-03-0099-9100154	WADE MILLER ASSOCIATES INC VA	1/11/89
D8AML9-03-0100-9100155	DYNAMAC CORPORATION MD	1/11/89
D8AML9-03-0101-9100156	CLEMENT ASSOCIATES INC VA	1/11/89
D8AML9-03-0102-9100157	CLEMENT ASSOCIATES INC VA	1/11/89
D8AML9-03-0103-9100160	DYNAMAC CORPORATION MD	1/17/89
D8AML9-03-0104-9100161	POLICY PLANNING & EVAL INC VA	1/17/89

Audit Control Number	Auditee	Final Report Issued
D8AML9-03-0108-9100166	AMERICAN MGMT SYSTEMS INC VA	1-24-89
D8AML9-03-0109-9100167	VERSAR INCORPORATED VA	1-24-89
D8AML9-03-0122-9100174	EA ENGINEERING SCIENCE TECH MD	2-7-89
D8AML9-03-0123-9100176	GENERAL SCIENCE CORP MD	2-7-89
D8AML9-03-0124-9100177	MITCHELL SYSTEMS CORP DC	2-7-89
D8DML9-03-0125-9100178	ROY F. WESTON INC PA	2-7-89
D8BML9-03-0126-9100179	COMPUTER NETWORK CORP DC	2-7-89
D8DML9-03-0142-9100207	MAXIMA CORPORATION MD	3-8-89
D8AML9-03-0146-9100211	DYNAMAC CORPORATION MD	3-13-89
D8AML9-03-0147-9100212	PROGRAM RESOURCES INC MD	3-13-89
D8AML9-03-0149-9100214	BOOZ ALLEN & HAMILTON INC MD	3-15-89
D8AML9-03-0154-9100223	DYNAMAC CORPORATION MD	3-28-89
D8AMN9-03-0030-9300002	NUS CORPORATION MD	10-18-88
D8AMN9-03-0038-9300004	NUS CORPORATION MD	10-26-88
D8BMN9-03-0054-9300008	ROY F. WESTON INC PA	11-17-88
D8BMN9-03-0055-9300010	ROY F. WESTON INC PA	11-23-88
D8AMN9-03-0063-9300012	SOBOTKA & COMPANY INC DC	12-12-88
P8DT*4-03-0191-9300020	CENTER FOR PUBLIC MGMT MD	2-1-89
TOTAL OF REGION 03 = 59		
D8AML9-04-0019-9100022	ENV SCI & ENGR FL	10-19-88
D8AML9-04-0020-9100023	NSI TECHNOLOGY NC	10-20-88
D8AML9-04-0021-9100024	RESEARCH & EVAL ASSOC NC	10-20-88
D8AML9-04-0026-9100048	BATTELLE OCEAN SCIENCES AL	11-2-88
D8AML9-04-0054-9100054	RESEARCH TRIANGLE INST., NC	11-10-88
D8AML9-04-0056-9100055	RESEARCH TRIANGLE INST., NC	11-10-88
D8AML9-04-0053-9100057	SYSTEMS RSCH & DEV., NC	11-10-88
D8AML9-04-0030-9100058	RESEARCH & EVAL ASSOC, NC	11-10-88
D8AML9-04-0086-9100075	KILKELLY ENV ASSOCIATES NC	12-1-88
D8CML9-04-0078-9100110	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8AML9-04-0085-9100111	ENVIRONMENTAL SCI & ENG, FL	12-21-88
D8CML9-04-0082-9100112	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8CML9-04-0079-9100113	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8CML9-04-3081-9100114	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8CML9-04-0084-9100115	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8CML9-04-0080-9100116	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8CML9-04-0083-9100117	SYSTEMS RESEARCH & DEV, NC	12-21-88
D8AML9-04-0100-9100145	TRACOR MARINE FL	1-10-89
D8AML9-04-0101-9100147	NSI TECHNOLOGY SVCS CORP NC	1-10-89
D8AML9-04-0127-9100175	EDWARD E CLARK ENG SCI FL	2-7-89
D8AML9-04-0077-9100186	BARRY A VITTOR ASSOC, AL	11-2-88
D8AML9-04-0138-9100198	EDWARD E CLARK ENG SCI FL	2-27-89
D8AML9-04-0136-9100201	ENTROPY ENVIRONMENTALISTS NC	3-3-89
D8AML9-04-0137-9100203	ENTROPY ENVIRONMENTALISTS NC	3-3-89
H8AML9-04-0055-9100056	RESEARCH TRIANGLE INST., NC	11-10-88
H8AML9-04-0140-9100199	RESEARCH TRIANGLE PARK NC	2-27-89
H8APL9-04-0132-9100200	RESEARCH TRIANGLE PARK NC	3-3-89
TOTAL OF REGION 04 = 27		
D8AMP9-05-0170-9400007	FOXX & CO CINCINNATI OH	1-18-89
D8EMP9-05-0217-9400010	LIMNO-TECH MI	2-13-89
H8CWL9-05-0023-9100035	CINCINNATI U OF OH	10-26-88
M8EML9-05-0062-9100026	PEI ASSOC, OH	10-21-88
P8DML7-05-0693-9100002	PEI ASSOC FY 84 OH	10-5-88
P8BML7-05-0692-9100045	PEI ASSOC FY 84 OH	11-1-88
P8DML7-05-0389-9100061	PEI ASSOC FY 83 OH	11-15-88
P8BML7-05-0388-9100071	PEI ASSOC FY 83 OH	11-21-88
P8DML7-05-0695-9100073	PEI ASSOC FY 82 OH	11-28-88
P8BML7-05-0694-9100077	PEI ASSOC FY 82 OH	12-2-88
TOTAL OF REGION 05 = 10		
D8BML9-07-0045-9100182	MIDWEST RESEARCH MO	12-6-88
D8BAL9-07-0051-9100183	MIDWEST RESEARCH INSTITUTE MO	1-3-89
D8BAL9-07-0039-9100190	MIDWEST RESEARCH INSTITUTE MO	11-29-88
D8BHL9-07-0082-9100217	MIDWEST RESEARCH INSTITUTE MO	3-20-89
TOTAL OF REGION 07 = 4		
D8CWL9-08-0052-9100216	KAMAN SCIENCES CORP CO	3-20-89
TOTAL OF REGION 08 = 1		
D8DML9-09-0014-9100009	ROCKWELL INTL CORP CA	10-14-88
D8BML9-09-0017-9100011	AIR POLLUTION TECHNOLOGY IN CA	10-14-88
D8AML9-09-0021-9100030	SCIENCE APPLIC INTL INC CA	10-24-88
D8DML9-09-0019-9100031	ENGINEERING SCIENCE INC CA	10-24-88
D8AML9-09-0051-9100074	S-CUBED, DIV OF MAXWELL LAB CA	11-29-88
D8AML9-09-0058-9100120	ROBERT D NIEHAUS INC CA	12-21-88
D8AWL9-09-0073-9100158	SCIENCE APPLC INTL CORP CA	1-13-89
D8AWL9-09-0072-9100159	WESTER SERVICES, INC VA	1-13-89
D8AML9-09-0078-9100171	TETRA TECH INC CA	1-26-89
D8AML9-09-0080-9100172	TETRA TECH INC CA	2-1-89
D8CML9-09-0085-9100185	SCIENCE APPLICATIONS INTL CA	2-13-89
D8AML9-09-0092-9100187	LEE ASSOCIATES CA	2-14-89
D8CML9-09-0105-9100208	SRI INTERNATIONAL CA	3-9-89
D8CML9-09-0112-9100218	SRI INTERNATIONAL CA	3-21-89
D8BWN9-09-0013-9300001	BROWN & CALDWELL, CA	10-14-88
D8BMN9-09-0059-9300016	ROCKWELL INTL CORP CA	12-21-88
D8AMN9-09-0062-9300017	ENGINEERING - SCIENCE INC VA	12-29-88
D8EMP9-09-0060-9400011	ROCKWELL INTL CORP CA	12-21-88
D8EMP9-09-0081-9400012	TETRA-TECH INC CA	2-1-89
D8EMP9-09-0101-9400015	ROCKWELL INTL CA	3-2-89
D8EMP9-09-0121-9400022	ROCKWELL INTL CORP CA	3-29-89
TOTAL OF REGION 09 = 21		
P8AT*8-10-0097-9100072	GAIA NORTHWEST INC WA	11-21-88
P8AT*8-10-0091-9100076	TEAM SUPPORT SERVICES OR	12-1-88
P8AT*8-10-0092-9100078	PTI ENVIRONMENTAL SERVICES WA	12-5-88
TOTAL OF REGION 10 = 3		
TOTAL OTHER CONTRACT AUDITS = 150		

9. SUPERFUND CONTRACT AUDITS

Audit Control Number	Auditee	Final Report Issued
D9AML9-01-0030-9100049	ECOLOGY ENV INC	11-7-88
D9AML9-01-0039-9100099	ALLIANCE TECH CORP, MA	12-15-88
TOTAL OF REGION 01 = 2		
D9AGL9-02-0065-9100065	GIBBS & HILL, NY	11-16-88
D9AGL9-02-0070-9100093	HOLT AND ROSS, NY	12-13-88
D9AGL9-02-0066-9100094	MALCOLM PIRNIE, NY	12-13-88
TOTAL OF REGION 02 = 3		
D9AGL9-04-0029-9100047	BLACK & VEATCH TN	11-2-88
D9AGL9-04-0078-9100052	JAMMAL & ASSOC FL	11-10-88
D9AGL9-04-0057-9100053	CDM FEDERAL PROG CORP FL	11-10-88
D9AGL9-04-0092-9100101	ENGINEERING DESIGN & GEOSCI TN	12-20-88
P9ATL8-04-0359-9100128	COLEMAN EVANS WOOD PRES FL	12-27-88
P9AGP9-04-0018-9400004	SIRRINE ENVIRONMENTAL SC	1-12-89
P9AFP9-04-0025-9400006	DOBBS CORPORATION GA	1-17-89
P9AGP9-04-0024-9400014	S&ME INC, GA	3-2-89
TOTAL OF REGION 04 = 8		
D9AGP9-05-0112-9400003	LIFE SYSTEMS INC FY 89 OH	11-18-88
P9BHL8-05-0418-9100229	MAECORP IN FY 87 IL	3-31-89
TOTAL OF REGION 05 = 2		
D9AKL9-06-0014-9100180	RADIAN CORPORATION TX	10-4-88
TOTAL OF REGION 06 = 1		
D9AHL9-07-0021-9100181	BLACK & VEATCH MO	10-28-88
P9AT*8-07-0206-9100046	TERRACON CONSULTANTS IA	11-2-88
TOTAL OF REGION 07 = 2		
D9AGL9-09-0016-9100010	LSA ASSOCIATES INC, CA	10-14-88
D9AGL9-09-0020-9100027	BECHTEL ENVIRONMENTAL INC TN	10-24-88
D9AGL9-09-0027-9100059	IT CORPORATION TN	11-14-88
D9AKL9-09-0035-9100066	KAISER ENGINEERS, INC, CA	11-16-88
TOTAL OF REGION 09 = 4		
TOTAL SUPERFUND CONTRACT AUDITS = 22		
TOTAL AUDITS = 793		

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